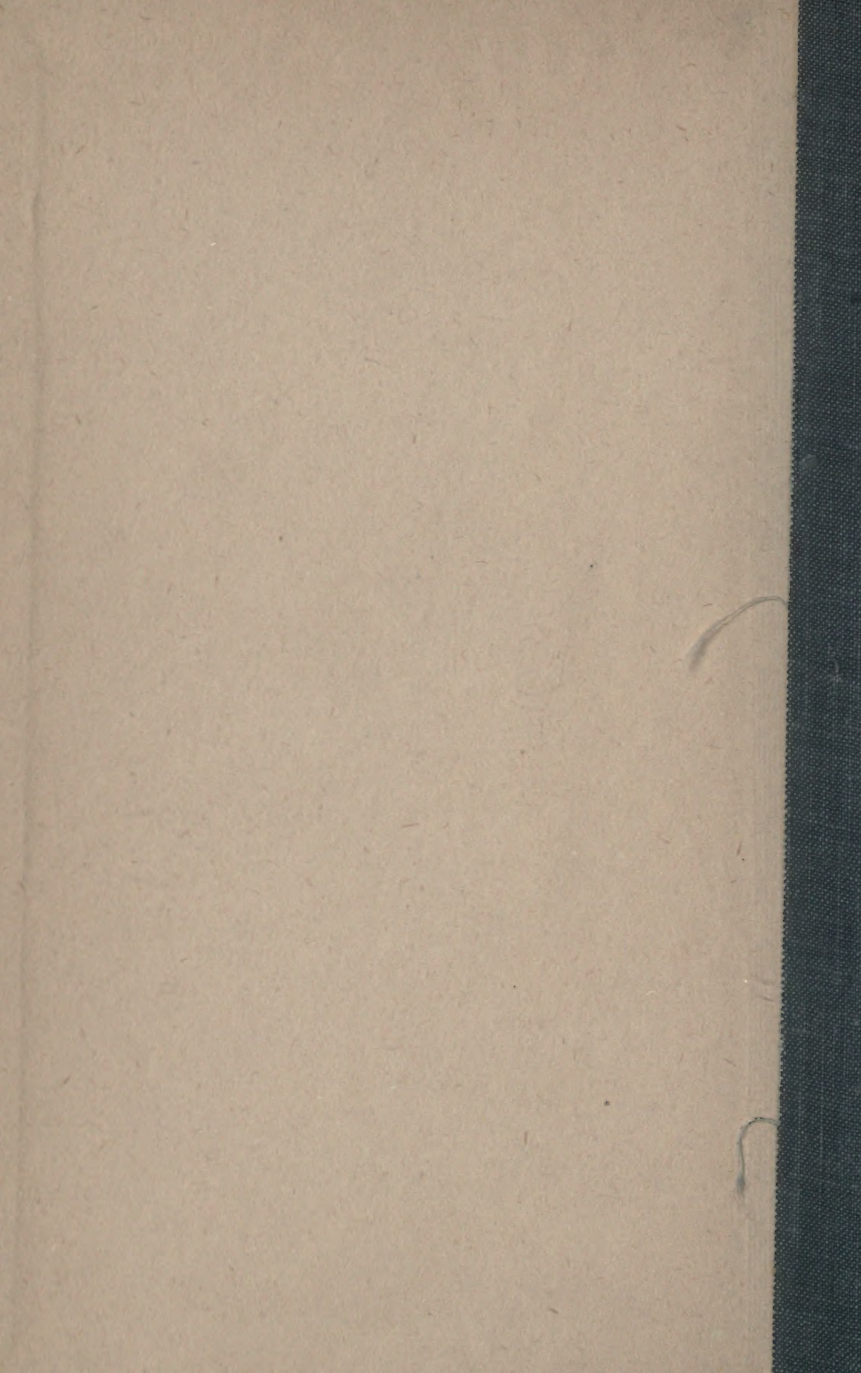


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BRITISH DOMINIONS:

THEIR PRESENT COMMERCIAL
AND INDUSTRIAL CONDITION

A SERIES OF GENERAL REVIEWS
FOR BUSINESS MEN AND STUDENTS

EDITED BY

W. J. ASHLEY

M.A., HON. PH.D. BERLIN

PROFESSOR OF COMMERCE IN THE UNIVERSITY OF BIRMINGHAM
FORMERLY PROFESSOR IN THE UNIVERSITY OF TORONTO



LONGMANS, GREEN AND CO.

39 PATERNOSTER ROW, LONDON

NEW YORK, BOMBAY, AND CALCUTTA

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PREFACE

OF the nine lectures or addresses printed in this volume the first eight were delivered during the winter of 1910-11, under the auspices of the University of Birmingham, to audiences of business men and students. A similar series given in 1902-3 on British Industries has proved of service in various directions, especially in connection with the work of the new Faculties or Departments of Commerce in British Universities. It is hoped that the present volume will serve a like purpose, and that it will enable those who are looking forward to commercial careers to take a broad survey of the economic position and prospects of the Dominions Overseas. It will also furnish those who are already engaged in trade, and propose to do business in one of the Dominions, with that preliminary information as to the general situation which is commonly desirable before one enters into the details of a particular industry. Such reviews, moreover, of the resources and interests of the Daughter States as are here presented cannot fail to be of interest to all citizens of the Empire who concern themselves with its welfare.

My gratitude towards the distinguished persons who consented to take part in this course of lectures is, I know, shared by the business community of the Midlands, and especially by the Birmingham Chamber of Commerce which co-operated with the

University in making the necessary arrangements. In Sir George Reid and Mr. Reeves we had speaking to us statesmen from the Dominions who have made deep marks on the history of their countries ; in Sir Albert Spicer and Mr. Birchenough leading English business men greatly concerned in oversea trade ; in Sir Walter Hely-Hutchinson an ex-Governor of high reputation for capacity and judgment during troublous times ; in Sir Daniel Morris one of the most distinguished of those officials who are making modern science contribute to economic progress ; and in Mr. Griffith the chief of the London staff of the Canadian High Commissioner. To their lectures I have been permitted to add the address of Sir Edmund Walker, undoubtedly the leading authority on Canadian Finance, to the shareholders of the great Canadian bank over which he has long presided with so much success. And these are preceded by a lucid and impressive sketch of the development of the Empire and its trade by one who, as Colonial Secretary, has himself done much to help forward imperial organisation.

In the character of the lectures there is considerable variety. The two lectures on Australia go over somewhat the same ground, one from the point of view of an Australian statesman, the other from that of an English observer who is himself a man of business. It should be mentioned in passing, that Sir George Reid's discourse suffers greatly from the absence of the accompanying slides and of the High Commissioner's racy comments upon them. On the other hand the two lecturers on South Africa divided the field between them in a manner appropriate to their differing individual experiences. And of the two Canadian addresses one is almost entirely his-

torical while the other is confined in the main to an account of the present business position.

It hardly needs saying that it was the desire of the University to avoid as far as possible in these lectures anything savouring of partisan argument on any of the political controversies of the day ; and this desire was naturally indicated to the lecturers. And it will be recognised, I think, that the volume as a whole is about as impartial as is humanly possible. But having selected eminent authorities as lecturers on the several countries without regard to their personal opinions,—and, indeed, almost every type of political opinion is represented in the list,—it was, of course, necessary to give them a free hand in the treatment of their subjects. If, therefore, some political tendency or implication is anywhere detected by an acute critic, he may comfort himself with the reflection that a reader between the lines will probably discover in some other lecture an implication in an opposite direction. I may add that, as Mr. Griffith devoted so large a part of his attention to proposed measures of Reciprocity between Canada and the United States, it is obviously proper to append to Sir Edmund Walker's address certain recent utterances of his which proceed apparently from a somewhat different point of view.

Among the most evident phenomena of the last decade has been the growth in the English mind of the conception of the Empire as a Whole of which the United Kingdom and the Oversea Dominions are Parts. This is shown in all sorts of ways, great and small ; and the more unconscious the indication, the more significant. For instance, the English householder who filled up his Census schedule in 1901

was asked if he was born in "a British Colony or Dependency"; in 1911, if he was born in "any other part of the British Empire" than the United Kingdom. And, as we all know, of the Empire thus visualised as a unit, there has struggled into being a central representative organ in the shape of the Imperial Conference with its Secretariat. That this is capable of contributing to increased commercial intercourse between the States of the Empire, as well as to concert and co-operation for other purposes, is sufficiently apparent. But what is not so distinctly realised is that, on a more everyday level than the conspicuous but discontinuous Conference of British Premiers, there has been coming into existence the outlines of something like a permanent imperial organisation for trade affairs. This has been growing up with little conscious harmony between its parts, and with something of that air of the haphazard that British institutions not infrequently wear in their youth. And as this has not yet received much public attention, it will be worth while to look round and see just what constituents of an imperial commercial organisation are already in being.

Let us begin with what may be called the *Statistical Presentation of the Empire*. In 1904 the Board of Trade issued the first annual "Statistical Abstract of the British Empire." This thin volume,—though, indeed, it soon began to expand,—attracted no particular notice at the time; and it only brought together in a more convenient and accessible form figures which were already being published. What was new in English statistical publications was the underlying thought,—that the British Empire could be treated as an entity, exporting to and importing from the rest of the world quantities of merchandise which could

be stated numerically, and producing within its limits quantities, also numerically measurable, of all the staple articles of human consumption.

It is natural to go on from this to what we may fittingly speak of as the *Imperial Intelligence Service*. In 1908 the Board of Trade appointed four Trade Commissioners for Canada, Australia, South Africa and New Zealand respectively. According to an official statement, their "principal duties are to advise the Board of Trade of any opportunities which may arise for British manufacturers and merchants in the United Kingdom to develop and secure trade in the particular Dominion concerned, to report from time to time (if necessary by telegraph) on commercial matters of interest, including alterations in customs duties and regulations, to superintend the work of the local Trade Correspondents,"—to be referred to later,—“and at the end of each year to furnish a general report on the condition and prospects of trade in the Colony, with special reference to trade with the United Kingdom and other parts of the Empire.” Subject to the general supervision of the Trade Commissioners, there are a number of Imperial Trade Correspondents at various local centres (at present eleven in Canada, five in South Africa, five in Australia, two in New Zealand and one in Newfoundland). These are all either men actively engaged in business or Secretaries of Chambers of Commerce and similar bodies. Replies to inquiries are sent,—and it is advised, though it is not necessary, that the inquiries themselves should be made,—through the office known as the Commercial Intelligence Branch of the Board of Trade.¹

¹ For the address of this office and of the Trade Commissioners, see Appendix II. The whole organisation is explained in *The Commercial Intelligence Branch Handbook* (London: Wyman, 2d.).

With an Empire, however, whose natural resources are still so imperfectly known, it is highly desirable that information as to present production and demand should be supplemented by the best available scientific opinion as to further possibilities. There should, in short, be an *Imperial Scientific Research Centre* for economic purposes. This is now provided by the laboratories and scientific and technological staff of the Imperial Institute under its Director. The purpose of the Institute is "to provide for the investigation of new or little-known natural products from the Colonies and India, and of known products from new sources, with a view to their utilisation in commerce, and also to provide trustworthy scientific and technical advice on matters connected with the agriculture, trade and industries of the Colonies and India."

"Merchants and manufacturers in increasing numbers," we are informed, "have shown themselves anxious to obtain full information respecting products from British Possessions suitable for manufacturing purposes, and have rendered the Department considerable service in supplying information as to the commercial prospects of materials which investigation in the Department has shown may possess commercial value. In addition to this, each year direct inquiries from manufacturers in this country as to the sources and composition of raw materials increase in number; and the Department is more and more becoming a sort of clearing-house for information respecting the possibilities of the raw materials of the Empire for manufacturing purposes."

Since 1907 the management of the Institute has been in the hands of the Colonial Office; but the Advisory Committee which superintends its opera-

tions includes representatives not only of the Departments of the English Government more immediately concerned,—the Colonial and Indian Offices and the Board of Trade,—but also of the Governments of Canada, South Africa, Australia, New Zealand and India. Moreover it is in part supported by pecuniary contributions from the various Governments; so that it may fairly be regarded as, in a sense, a federal institution.¹

But something more than information as to particular facts is required by the Government of the United Kingdom and the other Governments of the Empire. And there already exists the germ of an *Imperial Advisory Board on Commercial Affairs* in what is at present cautiously entitled the "Advisory Committee on Commercial Intelligence" appointed by the Board of Trade. This was first appointed in 1900; but it was not till 1905 that its imperial character was marked by the addition of representatives of the Dominions (in three cases the High Commissioners). The Chairman is the President of the Board of Trade; and at present the Committee consists of three other representatives of the Board of Trade, two of the Colonial Office, one each of the Indian and Foreign Offices, four Colonial Representatives, and fifteen Commercial Members, who represent, in a general way, the chief trades and industrial areas as well as the principal Chambers of Commerce in the United Kingdom.

The Terms of Reference of the Committee are as follows: "To advise the Board of Trade on the work of their Commercial Intelligence Branch, and on such

¹ See the *Annual Report on the Work of the Imperial Institute* among the Colonial Reports. That for 1909 (issued October 1910) is cited as Cd. 4964-30 (London: Wyman, 2½d.).

matters relating to Foreign Tariffs and other commercial questions as the Board may refer to them, and as to commercial missions abroad or other means of obtaining and diffusing information for the benefit of British trade."

It will be seen that the Committee has no independent initiative: it can but advise on matters referred to it by the Board of Trade. And the Board of Trade does not refer to it questions of national policy. But it is obvious that an authoritative presentation of the opinion of the business world may from time to time have considerable effect on the action of the English Government. For instance, when the new French tariff was proposed, a statement was circulated by the Committee to the principal Chambers of Commerce and Trade Associations, and their observations were invited. The subsequent action of the Committee is best described in the words of its *Report*: "The large number of communications received showed the interest which had been aroused and the anxiety caused by many of the changes contemplated. An elaborate analysis of the replies was made and presented by the Committee to the Board of Trade, for such use as H.M. Government should think proper to make of it, as expressing generally the views entertained by the British commercial community with regard to the effect of the Tariff proposals if enacted in the form suggested by the Customs Commission of the Chamber of Deputies."

The primary purpose of the Committee, as its present constitution indicates, is to protect and extend the trade of these islands. But it can hardly do this efficiently without giving a great deal of consideration to the trade with the Dominions, as well as

to the trade of the Dominions with the rest of the world. And its imperial character is likely to be more and more emphasised as time goes on.

Policy must necessarily remain under the control of the Parliaments of the United Kingdom and of the other States of the Empire. But it will probably happen from time to time in the future that the several States, having agreed upon some joint undertaking, will have to consider the executive machinery necessary to carry it out. It was possible in the past to look to the Mother Country to provide the necessary machinery, and for the other States to limit themselves to a pecuniary contribution. But as the junior States become more conscious of their national independence, some more markedly federal organisation will have to be devised *ad hoc*. And a working model on a comparatively small scale of such a *Federal Executive* is now presented by the constitution of the Pacific Cable Board, established in 1901. The capital required for construction and the subsidies necessary to meet the annual deficits have been provided in the following proportions: the Government of the United Kingdom, five-eighteenth; the Government of Australia, six-eighteenth; of Canada, five-eighteenth; and of New Zealand, two-eighteenth. The cable is the joint property of the Governments concerned; and its management is vested in a Board consisting of three members representing the Government of the United Kingdom, two representing the Government of Australia, two that of Canada and one that of New Zealand. Among the representatives of the Dominions are, of course, always their High Commissioners. A glimpse of the organisation of the Board's operations is afforded by the following paragraphs from a recent official statement:—

"The Board has a Head Office in Westminster, at which it holds its meetings, and which is in charge of the 'London Manager and Secretary.' Here the correspondence, accounts and statistics of the undertaking are centralised. It has also an office in Sydney, under the 'Manager in the Pacific,' who, subject to the general control and direction of the Board, is responsible for the conduct of the Board's business in Australasia, for the regulation, distribution and discipline of the staff at the several cable stations, for the supervision of the working of the cable and of the Board's repairing vessel and her movements, and so on.

"In the first instance the engineering and operating staff was recruited wholly in England; but as vacancies occur they are now filled as far as possible by candidates locally selected in the countries where stations are established.

"The Board makes an annual report to His Majesty's Treasury, which is presented to the House of Commons and printed as a Parliamentary Paper."¹

This concludes the list of official or governmental institutions which we set out to examine. But one must not omit to mention the sort of *Non-official Commercial Parliament of the Empire*, which is to be recognised in the Congresses of Chambers of Commerce of the Empire which have of late years been periodically brought together by the London Chamber. Such a Congress was first held in London in 1886; it met again in London in 1892, 1896 and 1900. In 1903 it met for the first time in a great city of the

¹ A brief account of the whole matter is given in a pamphlet, *Vid Pacific, being some Notes on the Pacific Cable* (1911), prepared for the Board and to be obtained from its office: Pacific Cable Board, Queen Anne's Chambers, Westminster.

Empire outside of the United Kingdom, viz. Montreal; and, after a meeting in London in 1906, it came together in Sydney in 1909. British Chambers of Commerce are not semi-official bodies as on the continent of Europe: they are neither State-aided nor State-regulated. A Congress of such Chambers has necessarily the defects of their qualities of independence and free initiative. The Delegates present are nominated by the Chambers to which they belong, usually I suppose from among the members of the Council of each Chamber (who are themselves mostly elected by the body of members); and the resolutions proposed at the Congress are entrusted to the several movers by the Chambers which they represent. The Congresses, therefore, possess a real representative character, and afford means of expression to a considerable body of weighty commercial opinion. And although there is no actual security in the organisation of the Congress that it shall represent all the important economic interests of the Empire or represent them in proportion to their magnitude, their resolutions have very properly carried considerable weight with the Governments of Great Britain and of the Dominions. Their meetings are likely to become even more influential in the future, growing in significance with the revival,—so noticeable in England,—of the importance of Chambers of Commerce themselves in recent years; and they are capable of doing a great deal, especially when they meet outside the United Kingdom, to strengthen the sense of community of interest within the Empire.

W. J. ASHLEY.

EDGBASTON, *April* 5, 1911.

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BRITISH DOMINIONS

THE EMPIRE

The Rt. Hon. Alfred Lyttelton

THE distinguished men, gathered by the persuasive and energetic summons of Professor Ashley, to address you here in the course of the next few months, are, I understand, to treat in detail of those Dominions of the Empire of which they have intimate and specialised knowledge. My task, undertaken with many misgivings which have steadily increased as its colossal lineaments have become clearly discernible to me, is to attempt a general preface to their work. An author's preface to a book written by himself commonly appeals for indulgence for defects which he sincerely believes it does not contain. My preface to a book to be written by others solicits attention for merits which I am convinced it will contain. Let me seek, therefore, however inadequately, to create in you a mood of welcome to those who will succeed me here; and, with that object in view, to make some general reflections suggesting that we may approach the subject of these lectures and the obstacles that undoubtedly lie in the path of Imperial aspiration, not indeed in a spirit of loose or foolish optimism, but in

a spirit of prudence taught by the experience of our fathers, and of hope kindled by their example.

The Empire is estimated to comprise a fourth part of the habitable globe and almost a third of the numbers of mankind. Canada alone is nearly as large as Europe and thirty times as large as the United Kingdom. Australia and New Zealand together are larger than Canada; and the Asiatic Provinces are nearly half as large as Europe, and contain a population more than three-fourths that of Europe.

The title of the British Empire to distinctive glory is derived not from big figures, but rather from special circumstances of position and distribution, from historical traditions, from vast economic resources and opportunities, and from the varied individuality of the States which comprise it.

Let me touch for a moment on the circumstance that the territories of the Empire are dispersed and divided by intervening, though not estranging, seas. Think, in contrast, of the conditions of the two powers ranking next after the British Empire among the white races in respect of area and population, Russia and the United States.

Russia summons to our minds from the past a vision of a great race established in a vast and compact territory, with unstable powers on one side and barbarian hordes on the other, ruled for many years by despotic and aggressive monarchs; and, if we keep that vision before us, the extension of the Russian Empire from the Baltic to the Pacific seems to be a normal and easily foreseen development. When we pass to the great continent of the West and again look back into the past, we recall thirteen Colonies settled by and peopled from the toughest and most

resolute of our race, with the Atlantic on one side and a vast and fertile hinterland sparsely inhabited by Indian tribes on the other, with national consciousness inspired by successful war against the nation from which they sprang, and by the contemplation of a Federal Union of States,—a masterpiece of original and constructive craft ; and the Empire of the United States will appear to us not a surprising, almost indeed an inevitable, expansion.

When we reflect upon the United Kingdom, we must be struck with the contrast ; a small island with a poor and discontented dependency on the West, Holland for many generations a formidable maritime rival on the East, two great and powerful monarchies on the South, each in turn bent on her destruction,—from such beginnings the British Empire seems an astonishing consummation, beyond and outside the range of political prescience.

You will be familiar with the well-known saying that the British Empire was conquered and peopled in a fit of absence of mind. We will not outrage this epigram by closely analysing it. This truth at any rate lies behind it, that Britons, when they were founding an Empire, half believed that they were doing something else. British expansion overseas was the result of the resistance of Britons to, and counter-pressure against, enemies threatening them in the possession of what they had. Spain in the sixteenth and seventeenth centuries, Holland and France in the seventeenth, France and Spain united in the eighteenth century, not merely sought to maintain their own colonial possessions, but used the wealth derived from them in attempting to coerce Great Britain. From the time of the Armada, when this pressure was first felt, throughout the seventeenth

and eighteenth centuries, and down to Waterloo, resistance and counter-attack were stimulated, and the British Empire steadily grew: and her growth has not been checked except when the thirteen American Colonies, accepting the aid of France burning with resentment at her losses, revolted.

I may observe on these wars and the treaties which concluded them as follows:—

1. The British are found at their best and summon their highest resources at times of emergency, under the pressure of danger and in the necessity of self-defence. They appear averse to thinking out deliberate and systematic schemes of policy, and shrink from the arduous and painful processes of organisation for remote ends.

2. In their successes they had the wisdom to be moderate, and displayed good sense and even generosity in the terms imposed on the vanquished, were willing not to exact the uttermost farthing, clearly distinguished the faults of foreign rulers from those of their subjects, were careful not to excite the permanent enmity of peoples, or to press on those who had been the involuntary victims of ambition and self-aggrandisement.

3. The development of the Empire was necessarily transoceanic, and its existence and stability has depended and will depend on the control of sea communication and on naval supremacy.

Though the Empire thus built up was in the main the result of maritime effort, yet it exhibits in Canada, in Australia and South Africa, instances of continental expansion. And this circumstance has invested it with the strength of variety and elasticity. "That elastic energy which in past times carried the English along the world's highways and secured them advan-

tageous positions and enormous holdings in remote continents, everywhere persists as a circulating or commercial energy, an economic or resource-developing energy, and a political or dominating energy. It has gained in intensity as it has advanced by diffusion; it has found new centres of action, created new forms of Britannic nationality, and accumulated reserves of economic and political force at many seats of commerce and government. It has swept less energetic races into its channels of activity, carried them with it, challenged them to earn the rewards of labour, conferred on them the blessings of ordered liberty, shown them a higher standard of life and duty, and taught them to respect themselves as Britannic citizens scarcely less the children of Britain than Britons themselves. In all this, British enterprise has used pre-existing systems of maritime communication as bases; improved, extended, and completed them; found new points of departure on them; travelled from them across and around continent alike; and by this means, at the same time, enlarged and consolidated the Empire." These immense activities have been displayed by communities who early gained the right to govern themselves; and if we survey the Empire as a whole of which they form parts at the present time, we find them free at least from the dangers of some empires more compact and uniform. In the British Empire there appears little danger of uniformity or stagnation. Each Dominion, far from being a replica of the Motherland, is a centre of separate vitality, working out under free institutions her own problems and her own aspirations. In such work, and in pressing forward together schemes in which all parties are roughly agreed, wholesome emulation is stirred. Political parties indeed remain;

but races become merged and blend themselves into nationalities which in turn absorb others.

In Canada, where in 1838,—as we learn from Lord Durham's famous Report,—French and English citizens never met on any public occasion except in the jury box, and then only to the utter obstruction of justice, the races are now firmly united, and a vast emigration, not only from the United Kingdom but from the United States, is now proving the absorbent power of the great Dominion.

In South Africa, though the Treaty of Vereeniging was signed so lately as 1902, rapid progress in fusion has been made between men who, though recently in arms against each other, in religion, in temperament, in political instinct, have much in common, and by whose combined and unassisted efforts the foundation of South African union has been firmly laid in a constitution of broad and stately proportions not unfit to be compared with the immortal work of the Federalists of the United States. I may note that the conduct and results of the first elections under the Union reveal that the British population,—stimulated by the example of Sir John Macdonald and his friends and colleagues at a similar crisis in Canadian history,—has exhibited an almost unprecedented unanimity in pressing, though as yet without success, a coalition of the best men of the two races as a prelude to a new chapter of South African history.

Other symptoms of more organised co-operation between the Dominions and the United Kingdom are gathering. The Conferences and subsidiary conferences conducted in the spirit we now see between the representatives of the States of Empire are instances in point, and incidentally these promote healthy and sound variety. There can be nothing but good in

a strong and constant play between the thoughts, the ideals, the institutions of Britons in the island home, and those who have carried its rational freedom and its robust industry to new homes in every sea. Many problems are to be solved only by experiments in different political laboratories ; and great communities acting and interacting upon each other, discussing, consulting with, and deferring to each other, have the happiest opportunity of mutual influence.

This great, but loosely compacted organisation of States has, it may safely be affirmed, a pacific tendency. The consciousness of the weight which unity gives to the Empire in the affairs of the world is, I believe, steady: for that unity can only be maintained by consent and persuasion ; and the vast hazards of war will only be collectively undertaken where each self-governing State, on whose behalf war is invoked, is able to persuade others, unbiassed, from the nature of the case, by the particular prejudice and untouched by the particular passion of the moment, that the cause is just and worthy. But if such persuasion be successful and conviction be established, united action would have a moral force which few would care to face.

In recognising that the greatness and distinction of the Empire are in part attributable to the special circumstances of position and distribution, to the tradition of a past history, and to the varied individuality of the members who compose it, we shall not forget that other agencies have played a part in the work of construction and consolidation ; and of these the greatest is trade.

Let me briefly sketch in bare outline the history of our trade relations with the Dominions overseas.

First, I may remind you that the old colonial system,

under which the British Colonies were founded, had really nothing akin to the old Greek plan of drafting the overspill of population of congested cities with their scanty food supplies into neighbouring territories, where the new Colonies were recognised as practically independent. Nor was it the plan by which it was attempted to weld together the Roman Empire with its intricate military and political organisation into a centralisation which in the end proved fatal.

The old colonial system was a machinery naturally evolved. Britons went forth to the acquisition and settlement of lands overseas impelled by diverse motives; but, whatever their motives, the parent country gave them a general support in their enterprise of toil and adventure. It must be observed that Great Britain thus shouldered immense obligations and responsibilities. The cost of these enterprises was heavy. Often the parent State equipped and paid the expenses of the discoverers, always placed her ægis over the young communities which followed them, and frequently waged great wars on their behalf. For such services, and to render the sacrifices necessarily resulting from them more palatable to the tax-payer, statesmen sought to prove that expenditure on the Colonies was a good investment of public money, and argued that the monopoly of colonial trade, which was rigorously established, was a remunerative perquisite to the Mother Country. These arguments fell into disrepute after the American secession. But it was quite honestly urged that the defence and protection afforded to the American Colonies by the parent country furnished good cause for the exaction of trade privileges in return. Nor is it really surprising that plain men in this country considered it equitable that, having incurred on behalf

of the thirteen Colonies a great debt for the expense of a war which destroyed, in their interest, the power of the French in North America, some small contributions from them by way of assistance, in part discharge of it, might be required.

The failure of that attempt, and the mighty consequences which attended the secession of the Colonies, as naturally brought a world-wide discredit upon the alleged claim of the Mother Country, which was represented to be an attempt to fine the colonists who had created the prosperity of their territory, for the benefit of home traders. This discredit made easy the task of Adam Smith and the earlier Free Traders, and predisposed men's minds to cordially receive their argument, that by imposing monopoly on colonial trade, capital was unduly forced from its natural employment into the Colonies, and that in consequence of this artificial diversion, there was relatively a deficiency for home and other natural employment. Thus it came about, with the victory of Free Trade in the earlier half of last century, that the old colonial system, resting on monopoly, which Free Traders condemned, was wholly abolished; and an opinion began to steal over the minds of many that the Colonies were useless, and that the sooner the ties between them and the Mother Country were severed the better.

Happily there followed a quiet and uneventful period of great trade prosperity when nothing occurred to place any severe strain on the links which held the Empire together. The Dominions successively acquired self-government, and used their fiscal independence, in the spirit of the teaching of Alexander Hamilton, in an effort to make of their countries composite and self-contained States, symmetrical and not

lopsided societies of varied enterprise and multitudinous activity, furnishing scope for that diversity of talents and dispositions which discriminate men from each other. In a word, they sought revenue and the foundation and encouragement of manufacturing industry by imposing protective duties against all countries, including the United Kingdom. But notwithstanding the policy of protection they adopted, an immense business grew up, and is still growing between the Dominions and Great Britain. At first and inevitably the populations of the young communities occupied themselves in the industries of agriculture and pasturage; those of timber and fisheries followed. For agriculture and pasturage the colonist has the advantages of the ownership of virgin soil, pays no tithe, is but slightly burthened by taxation, and with these advantages is able in a few years to grow large crops of grain and raise herds of cattle and sheep, not only adequate to supply local markets with cereals, meat, and dairy produce, but producing ever-increasing surplus for export.

The parent country, meantime industrial—the workshop of the world—increased rapidly her population, and enlarged yearly her capacity to take the colonial exports of food and raw material: and a deep channel was thus dug to which a natural stream of trade poured in increasing volume.

Progress in manufacturing arts has, of course, been made by our kinsmen overseas; but the exchanges between them and ourselves still follow in the main the courses above indicated. It has been calculated by a high authority that, at the present time, of all the things we buy from the world rather more than one-fifth comes to us from the Empire, and of all the things of our own manufacture and production

which we sell to the world considerably more than one-third goes to the Empire.

Great Britain has ministered and still ministers to the demands which might be anticipated of new countries. Such countries in the period of their development build railways, sink mines, construct roads and bridges, instal water, supply tramways, electric power and lighting stations. For these purposes, it becomes necessary for them to import machinery and tools of all kinds, railway material, telegraph and electric appliances, steel work for construction, water and gas pipes, and, of course, many other commodities necessary for the comfort and luxury of civilised life. In return for these exports the Dominions provide for our use the products with which we are unable to supply ourselves. Canada and Newfoundland send us meat, corn, flour, bacon and hams, cheese, salt fish, eggs, apples, furs and skins, leather, and timber. Australia and New Zealand send us wool, gold, corn, wine, butter, skins, mutton, timber, leather, silver, tallow, beef. South Africa sends us gold, diamonds, feathers, wool, goats' hair, skins and hides. But the Dominions lean also greatly on Great Britain for financial aid ; and the organisation and volume of Imperial trade is strengthened and increased by the existence in the Dominions of a great and persistent demand for capital and in the parent country of ample accumulations seeking investment.

Long ago, when the relation of Great Britain to the Dominions was that of a monopolist to tied traders, Burke had observed the compensating circumstance. "Their monopolist," he wrote, "happened to be one of the richest men in the world." Great Britain has no longer the monopoly ; but the

great fabric of Imperial trade is buttressed and underpinned by her financial relations to the States of Empire, for Great Britain is the banker and financial agent of the Dominions.

It is, I believe, accurate to say that all considerable colonial loans have been issued, and an immense proportion of the capitals of colonial public companies subscribed, in London. Insurance companies and private investors have also lent large sums of money, chiefly on landed securities in the Colonies; and selected colonial stocks are included amongst those in which trustees may embark funds entrusted to them. Great Britain thus lends money to the Dominions on a very large scale; and, as is natural, and by processes very familiar to you, the borrowers frequently take the accommodation in goods instead of in cash. By this means, on the one hand, in the parent country, manufacturers obtain orders, and investors find employment for their capital in quarters which are eminently stable and safe. In the Dominions, on the other hand, these operations, of which, as we have seen, London is the financial base, have proved eminently remunerative. Our kinsmen have obtained their money on easier terms than would have been, or have been, accorded to foreigners, and have used it wisely and productively; for the public debts of the Dominions do not represent unproductive expenditure, such as the necessity of defence and the pressure of powerful neighbours has accumulated as a burthen upon the Mother Country, but fertilising and profit-earning enterprises, which frequently show a good margin, over and above the interest payable to the lender. As a recent illustration of the marvellous and renovating power of the resources of British capital and credit devoted

to public works on a vast scale, I would commend to you a study of the financial assistance rendered by this country to the Transvaal and Orange Free State after the war, and the prosperity which—exceeding the most sanguine hopes—has followed.

There are other agencies of unifying tendency in commerce upon which time does not permit me to dwell, but they must not be wholly omitted. I set great importance, for instance, on the Imperial penny post and upon the facilities which have been given as a beginning for the cheaper transmission of literature, magazines, &c.

The presence in this country of High Commissioners and Agents-General charged with the interests and in closest touch with the commercial needs of the peoples whom they represent has been and will be of increasing value in the future.

The organisation of a body,—the Advisory Committee to the Board of Trade,—containing the germ of an Intelligence Department for Commerce within the Empire, again, is a step of considerable importance, and reasonable hope may be entertained of its further development.

The Judicial Committee of the Privy Council bringing the Dominions, as well as the Crown Colonies and India, theoretically to the steps of the throne, practically to an appellate court of law of the greatest distinction, is a powerful though quiet force in a like direction. It is of course open to the Dominions to relinquish their right of appeal to this court, but there is little proof of any desire to do so. Decisions of this illustrious tribunal are, it is universally admitted, distinguished by unbending probity and supreme learning. In dealing with the constitutional questions which from time to time have come before them

for review, great judges like Lord Cairns and Lord Watson have exhibited, in addition to legal acumen, a broad grasp of essential principles which has been of infinite benefit to the communities whose interests were at stake ; these qualities have been exhibited to peculiar advantage in the consideration and discussion of decisions from Canada and South Africa, where other codes of law than the English are established, and where the influence and moulding force of the judgments of the Privy Council and the principles which it has laid down can be clearly discerned. It is not a small thing to diffuse legal thought and principle over so many countries and such different peoples. Much criticism has been spent on the informal surroundings of this great court and the tranquil conversational discussions which take place before its members. But I must confess to an attachment to the unpretentious quality of the building and the wholly unadvertised eminence of the elderly gentlemen who constitute the court. Our visitors from overseas find here something distinctively British, and are as ready as we ourselves to admire an institution which has smoothed and harmonised difficulties and interpreted customs in a broad spirit, cleared away mistakes, and very gradually, without friction or popular clamour, brought laws into harmony with the changing conditions of the times.

I must not pass from the consideration of the unifying tendencies of legal association without referring to the notable victory recently won by British, Canadian, and Newfoundland lawyers in the Newfoundland Fishery Dispute, upon which a tribunal at the Hague has just pronounced. The generous tribute of Mr. Aylesworth, the very eminent Canadian representative in the arbitration, to his British col-

leagues has been warmly appreciated here, and has cemented the friendship and camaraderie of the English and Canadian Bar.

I have dwelt hitherto on the tendencies to commercial union in the Empire arising from the long association in business of communities with reciprocal and complementary needs, naturally disposed to trade with each other, and between whom a firm commercial goodwill has become established. This goodwill, in the absence of disturbing causes, is likely to bring the old customer to the old place ; and we have noted that it has been assisted by measures, some designed and some undesigned, to this end : but it must be admitted that other tendencies are less favourable. There were times when, even since the adoption of protective duties by the Dominions, their needs were supplied almost entirely from home. Even foreign goods reached them through London, and in return practically the whole of the produce of the Dominions came to this country. In recent years a great change has taken place, and a determined onslaught naturally enough has been made by foreign competitors upon markets yearly expanding and increasing in value ; and this competition almost inevitably will grow hotter and keener every year. Some very interesting facts have recently been marshalled in the *Fortnightly Review* for April 1910, by Mr. Benjamin Kidd, giving weight to this anticipation. After dividing the markets of all countries of the world into three classes—(1) the actively competitive and industrial ; (2) the intermediate, who have not attained their full industrial stature ; (3) the complementary, who merely produce raw material and are not manufacturing—he proceeds to show that the first class is composed of Europe (without Turkey) and the United States. In this area,

containing a population of 550 millions, is concentrated the greater part of the competitive power of the world in trade and manufactures. The severest test, therefore, that can be applied to the commercial capacity of a country in the rivalry of nations is to ascertain what is the total of its exports to the market of these countries. Mr. Kidd informs us that "out of a total export of her domestic produce of some £340,000,000 Germany sends to these competitive markets no less than £290,000,000, or some 85 per cent. of the whole." As regards Great Britain, out of a total of some £420,000,000 domestic exports only some £190,000,000 go to Europe and the United States. These are the facts for 1907; the figures for 1908 give them a slightly stronger emphasis. The first fact with which we are confronted, therefore, has this significance. In these markets of the leading competitive nations of the world—the true test of a nation's efficiency as a producer—Germany is not only relatively, but absolutely, ahead of Great Britain, and this by the enormous total of some £100,000,000 yearly. The position still retained by Great Britain is due to her commanding position in the intermediate and supplemental markets, not at present highly competitive, and to her maritime ascendancy. The inference which is pressed as to be drawn from these figures is that Germany will strive with more and more energy of effort to obtain a larger share in the trade of those countries in which competition is less keen and where effort to secure business may be less severe. The methods of attack are familiar. They should be met by concerted action.

But action should be organised in the clear appreciation of the fact that, as between the parent country and the Dominions, there is now a practical equality

of status. Permit me for a minute to dwell on this topic. In 1905 I wrote on behalf of the Government a circular despatch to the governments of the Dominions touching Imperial organisation, and making certain suggestions, some of which have borne fruit, with respect to the Conference then anticipated as about to take place. In this despatch the expression "States of Empire" occurred, and was noticed as being a novelty in nomenclature ; but now it has passed into the normal currency of descriptive terms. Ten years before, Lord Ripon, writing on behalf of the Liberal Government of the day, expressed himself thus : "To give the Colonies the power of negotiating Treaties for themselves, without reference to Her Majesty's Government, would be to give them an international status as separate and sovereign States, and would be equivalent to breaking up the Empire into a number of independent States ; a result which Her Majesty's Government are satisfied would be injurious equally to the Colonies and to the Mother Country, and would be desired by neither. Negotiations, being between Her Majesty's Government and the sovereign of a foreign State, must be conducted by the representative of Her Majesty at the Court of the Foreign Power, who will inform the Government and seek instructions from them, as necessity arises." But it will be in your recollection that quite recently, and with the full approval of His Majesty's present Government, the Dominion of Canada carried on independently exactly such negotiations as Lord Ripon had criticised. Technically these negotiations were carried on with the knowledge of His Majesty's representative ; but it has been authoritatively stated in Parliament and not denied that at no stage of the proceedings was His Majesty's Government con-

sulted. Now I desire specially to emphasise that, although regret has been expressed that Canada should have had to deal as an isolated unit with other great commercial countries, unsupported by a coherent and concerted Imperial policy to strengthen her hand, no criticism whatever has been made as to her right to act as she has acted, no echo of Lord Ripon's strong protest has been heard from any quarter or any party; on the contrary, Mr. Balfour in the House of Commons was understood to say that His Majesty's Government were well advised, in the changed conditions, to recognise the legitimacy of the Canadian claim, and cordially expressed his pleasure at the growth of the Dominions to the stature of nationality.

For a long time the true political relation of this country to the Dominions was obscured in wise silence; but the period during which that silence could be maintained has now ceased. The consciousness of the great Dominions has rapidly matured; and the recurring Imperial Conferences have of necessity brought about a clearer definition of their national aspirations. "We do not seek independence or separation from the old Motherland: the daughter States do not want separation; the freer they are, the more attached are they to their allegiance. We are independent as a nation, but while we are independent as a nation, we are subject to His Majesty the King and we have no other sovereign but the King of Great Britain and Ireland." In such words, and they are by no means the first, Sir Wilfrid Laurier has asserted the position of the Dominion of Canada; and in their clear light Imperial action in the future should proceed.

It is happily now beyond controversy that, in seeking further commercial unity, measures for defence must precede all other action. So long as this country could maintain undisputed command of the sea, it was possible to wait in case of need for the aid of the Overseas Dominions ; but recent events have demonstrated the truth of that which was pointed out by Sir Michael Hicks-Beach in 1904 in presenting the views of a very influential deputation received by the then Prime Minister, viz. that this country ought not to be called upon to attempt to provide from its own resources for the naval defence of the whole Empire, and that, in a great naval war, there might be no time to call up the ultimate or potential reserves of men and money from all corners of the earth.

Again, the sense of nationalism in the Dominions has urged them to recognise the paramount duty of providing their own defence against foreign attack. These opinions received powerful impulse at the Imperial Press Conference held in June 1909 in London ; as to which it has been recorded officially that "it is doubtful whether any gathering within the Empire, official or unofficial, has ever been more conducive to good understanding or to sound practical results." In the discussions on Naval Defence at that Conference and at the subsidiary Conference which took place shortly after, between the representatives of Great Britain and the Dominions of Australia, New Zealand and Canada,—South African union was not then complete,—results were arrived at with regard to Naval Defence which marked a most important advance in the history of this subject. It is not an exaggeration to say of these plans that a scheme has now been launched for an Imperial

Navy capable of indefinite expansion, subject always to the right which has been already referred to, of each State to approve or disapprove, and thus to enter or not to enter upon war.

I venture to permit myself the expression of a fervent hope that, as a corollary to this, the recognition of the necessity of combined action for the better organisation of economic relations within the Empire will pass into the region of common aspiration. I must not, as I would gladly do, expand this topic, for I am approaching too near the vast and far-sounding controversy of which the illustrious Chancellor of this University has been the central figure; but I may remind you that almost the exact political relations have been evolved between ourselves and the Dominions in which Adam Smith (the greatest name amongst Free Traders) affirmed that Great Britain might legitimately settle treaties of commerce with her Colonies overseas, so as to effectually secure to her greater advantages than the monopoly which she at one time enjoyed—treaties which might dispose them to favour us in war as well as in trade. The conditions which Adam Smith had in his mind were those now actually realised, viz. the practical independence of the self-governing Colonies. May I invite you, without dogmatism and in a pacific spirit, to ascertain, if you can, whether any really solid difference of principle exists between those who recommend such treaties of commerce and mutual favour in trade, and those who advocate arrangements made for preference between free nations, owing allegiance only to the Crown?

Let me in conclusion recur to the hopes and the warnings suggested from our history. We have not lost, I trust, the energy and resource in emergency

which the pressure of danger and the necessity of self-defence have summoned so often in the past to our aid. It is a great possession of our national character, this power of rising to the occasion, this ability to use latent and often unsuspected forces in an emergency. The people whose will and persistence falters at the time of danger, or whose brains lose their equilibrium in excitement, cannot lead or rule great Empires; and it is therefore with a just pride that we recall from the annals of our country the many examples of courage; coolness and resource called forth by necessity and stimulated by the pressure of critical events. But in our trust that these qualities will again be displayed lurks a certain danger. Let us remember that in a deliberate and scientific age, long and systematic preparation for the moment of pressure is essential. Modern life is infinitely complex,—to compete in the struggle, character, courage and intelligence are necessary weapons but not the only essential ones. Careful forethought and dispositions for the future,—in other words, organisation,—are absolutely necessary. Without them, the strong and vigorous elements in our national character might not get their opportunity. We must see to it, that we are not left behind in the race, so that the grit which has been our support in the past, may continue behind all the mechanical contrivances of modern competition, to keep us in the vanguard. It is one of the unattractive things about modern life that courage, persistence and brains are often useless without previous preparation of the field in which they are to operate. And if this is true of elemental warfare, it is doubly true of trade competition, where wit is pitted against wit, and forethought against forethought.

Organisation is the watchword of all modern struggle, but essential for even the ablest and bravest peoples. There is something inspiring in the greatness and difficulty of the task. A brilliant and imaginative writer has recently illumined Westminster and the dusty wayfarers who pass to and from the Houses of Parliament by a vision summoned to his inward eye by the concentration there of the organisation of the Empire: "I think of St. Stephen's Tower streaming upwards into the misty London night and the great wet quadrangle of New Palace Yard. . . . I think of the Admiralty and War Office with their tall Marconi masts sending out invisible threads of direction to the armies in the camps, to great fleets about the world. The crowded, darkly shining river goes flooding through my memory once again, on to those narrow seas that part us from our rival nations; I see quadrangles and corridors of empty grey-looking offices in which undistinguished-looking little men and little files of papers link us to islands in the tropics, to frozen wildernesses gashed for gold, to vast temple-studded plains, to forest worlds and mountain worlds, to ports and fortresses and lighthouses and watch-towers and grazing lands and corn lands all about the globe."

This fine picture should encourage us. Much indeed has been and is being done, but we must not falter or stand still while there yet remain so many things undone. We must look into the future and prepare for events. We must not shrink from tedious and laborious detail. We must learn from our rivals. We must be armed by forethought, not paralysed by fear-thought; so may we each play our

humble part worthily in the drama of our country's history.

NOTE.—In preparing this Lecture I am specially indebted to the following authorities:—Adam Smith, *Wealth of Nations*; J. R. Seeley, *Expansion of England*; J. Shield Nicholson, *A Project of Empire*; H. Birchenough, *Imperial Trade*; E. J. Payne, *Colonies and Colonial Federation*.

AUSTRALIA

I. *Sir George Reid*

I CONGRATULATE Birmingham on her University ; I congratulate the University upon her Chancellor, who is one of the greatest of the Empire-builders of our time. I also wish to thank the Principal, Sir Oliver Lodge, for the honour he has conferred upon me in presiding on this occasion. There is another thing I congratulate the University upon : it has a Faculty of Commerce. I have profound veneration for the older Universities ; and if I could pass my time in some sort of intellectual aquarium, I should like to spend it in a quiet, reverent study of the antiquities of the past. But some of us find ourselves struggling in the torrents of the present ; and commerce is one of those great, strenuous tides which are ever rising and falling all over the world. When military and naval armaments have disappeared, there will still be intense trading competition. Struggle is not a bad thing when it is in the arts and industries of peace.

The Principal has called Australia a gigantic continent. It is. The continent of Australia is more than one-fourth of the British Empire. It is larger than the United States ; it is nearly three times larger than British India ; it is 1,200,000 square miles larger than Europe, if you take Russia out of it ; it is more than six times larger than all the islands of Polynesia. How many people are there on that huge area ?

4,400,000 men, women, and children. Do not forget, when I am speaking of the development of Australia, that there are only 4,400,000 men, women, and children there.

The resources of Australia are even greater than its size. They are so immense and varied that the most competent observer is quite unable to give you a full account of them. The industry of a nation nearly all comes within three or four great divisions,—pastoral, agricultural, mining, and manufacturing. Broadly speaking, those are the four great channels in which human industrial energy runs.

As to the Pastoral. The resources of Australia as a pastoral country are enormous. They cover a vast surface. By and by I am going to remind you that, although you see on a map of Australia a great blank space called "the Australian desert," in the light of the latest information that word "desert" will have to be removed. Our pastoral industry produces the best wool in the whole world. Australia is also a place where agricultural enterprise offers some of the finest opportunities open to mankind. It can grow anything. Part of it is near the tropics, but most of it is in the temperate zone. Differences of elevation, you know, make a wonderful difference in climate. I have seen growing within a very short distance English fruits and bananas, pine-apples, and sugarcane. If you were to visit the Botanical Gardens in Sydney—one of the most beautiful places in the world—you would see flourishing in the open air the tea and coffee tree side by side with the pine and fir trees of Northern Europe.

There is no question about the fertility of the soil. Every country has got something to fight against. Happy is the country which has only one thing to

fight against. Australia has only one thing to fight against. She has got everything else in the world so far as natural resources go, with the one exception that in some parts of Australia there are droughts occasionally, and a deficient rainfall.

Now as to Mining resources. They include everything in the shape of minerals and precious stones. The auriferous area of Australia is very great. The last goldfield discovered is in the extreme north of Australia. Gold has been found in many parts of the continent. When you recall the dazzling discoveries of fifty and sixty years ago in Victoria and New South Wales, and remember the vast area still to be tested, you can see that it is quite possible that in years to come we shall have many revivals of the marvels of gold discovery in Australia.

Climate, of course, is a most important thing in connection with a country. Some people are inclined to think that all the northern part of Australia is out of the temperate zone. That is an error. In the Northern Territory itself there are 97,000 square miles in the temperate zone; in Queensland there are 311,000 square miles; in Western Australia, 612,000 square miles. Then there is all New South Wales, Victoria, Tasmania, and all South Australia proper, entirely within the temperate zone. There are 1,800,000 square miles in the temperate zone—more than all Europe if we omit Russia.

Rainfall? That is one of the serious questions in Australia. But it is marvellous how Nature—that is the modern way of speaking of the Creator—has contrived that the enormous rainfall which drops upon the northern coast margins of Australia should find its way underground down to places hundreds of miles away, where it is very much wanted. There

is an artesian basin of 590,000 square miles. Much of it is in Queensland; some of it is in South Australia; and a good deal of it is in New South Wales. Bores are put down over a large part of the area, at depths from 60,000 to 5000 feet. The only state I have complete returns for is Queensland; and up there this hidden water supply comes to the surface at the rate of 500,000,000 gallons every day! Some areas of Australia have a rainfall of 15 inches; many have a rainfall of more than 20 inches. They can grow wheat successfully in Australia with a rainfall of from 10 to 12 inches. Allow me to give you some figures with reference to the Australian rainfall. There are 846,000 square miles with a rainfall of 20 inches per year. There is an area of 1,000,000 square miles with a rainfall from 10 to 20 inches.

There is another line of country which is marked "desert"; and I want to tell you something about that. A few years ago an Australian bushman—Mr. A. W. Canning—travelled from the innermost point of settlement in Western Australia right up to the Northern Territory. He saw signs which suggested to him that there was water under this seeming desert. He was employed by the Western Australian Government, who equipped an expedition, consisting of 26 men, a number of camels, and 500 goats. He was two years in that country; and he found water at depths varying between 9 and 33 feet all over the whole of that great stretch of 800 miles, timbering wells at intervals of 14 miles; and moreover the water was perfectly fit for human consumption. He and his companions never had one day's sickness, working in that climate,—bad as it is supposed to be for the white man. He did a very clever thing. He was the first Australian explorer to take his meat alive,—a flock of

goats. He had fresh meat and milk all the time, and brought back as many goats as he took away with him! Mr. Canning says there are about 500,000 square miles which have an elevation of 1200 feet in that part of the continent. The elevation gave them cool nights. Although by day the heat was great, the atmosphere was so pure that there was not one case of sunstroke in the two years. Professor Gregory, who was out in Australia, and who is now in the University of Glasgow, says this: "There are five essential conditions for a healthy continent. Australia has every one of those five; and no other continent has all of them." Some say that in certain parts of Australia white men cannot work. As to that Professor Gregory says: "If the development of Northern Territory be undertaken wisely and patiently, the country can be successfully colonised by white people." That is a great thing. Just think of what it means; that great area in days to come may be the subject of a white development. Some people look askance at Australians because they will not have anything but a white Australia. If you were all living where they live, within a few days of some eight or nine hundred millions of the coloured peoples, you would feel as we do. A little trickle through a Dutch dyke seems a trifling thing, but if it is not stopped in time the whole dyke will be overwhelmed. There is nothing really offensive in our policy. All nations, of every colour, aim at maintaining the integrity of the family type. You can do it easily here, so you have no fear about it; but away there in Australia it is not so easy. In fighting for a white Australia we are really fighting for you as well as ourselves. If you come to compare the virtues of the different races, there is a great deal to be said in favour of the Chinese and Japanese; but with-

out any sort of offensiveness, indeed with a feeling of genuine respect for the character of those great nations, I say that we Australians are justified in trying to reproduce on that vast continent a population such as you have in the United Kingdom. It was alleged that the sugar industry in Australia depended on coloured labour, and that the white man could not work in our cane-fields. Well, we in Australia determined that he should have a chance of doing so; and this is the result. Whilst in 1904 there was 38 per cent. of the cane-lands worked by white labour, in 1908, four years afterwards, 90 per cent. of the cane-lands were worked by white labour.

The industries of Australia fall under the four definitions I referred to some time ago. The Pastoral industry is still the greatest. In the year 1908, 642 million pounds weight of wool were produced, worth £23,000,000 sterling. They have produced a sheep which carries an enormous amount of wool—the finest wool, mind you, in the world.

The number of horses in Australia is about the same as that of the United Kingdom. We have about 2 million horses. All my figures are for 1908. We have about 10½ million cattle, about the same number as the United Kingdom; and we have, among these, 2 million dairy cows. The dairy industry of Australia is making very great strides.

Our sheep are 87 millions in number—33 millions more sheep than the United States possess, 30 millions more sheep than the Russian Empire has. Nature, you see, helps us wonderfully. Australia's staple industries are those in which nature does much. Look at our mineral wealth. Great enterprise was required in finding it, and in getting the machinery necessary

to treat it. Immense enterprise, many losses; but still, there it is—a vast, growing industry.

On the large sheep stations they have wire netting to keep your rabbits out. One result is that a single boundary rider can keep a paddock secure in which there are thousands of sheep; and the great change for which so much fighting has been done in Australia is to get these large areas—they are called “runs” in Australia—split up so that instead of one boundary rider taking charge of a large tract of country, homes and families may spring up under a system of “closer settlement.” There are tens of millions of acres of magnificent lands locked up from the tide of advancing settlement. The Australian Labour Party proposed a progressive land tax. The last general election gave that party a majority, and they have enacted the tax. If this tax is effective, there will be a development of settlement in Australia which will surpass any previous experience.

A great export trade in frozen meat is developing. The chilling process is also being applied. All over the world there is a cry for cheaper meat. There is not a nation in Europe to-day which is not joining in the cry. When the barriers are taken down, Australia will have a fine opportunity of supplying the wants of Europe.

While the pastoral production runs up to about £47,000,000 a year, Agriculture is responsible for £37,000,000 of our total production, or 22 per cent. of the whole. Wheat is the chief crop in Australia. Enormous areas in Australia are suitable for wheat. The value of the wheat crop was £13,500,000. Every conceivable kind of fruit can be grown in Australia; and beautiful peaches that would be very welcome in this country are often given to the pigs.

Now as to the Mining industries. Gold to a sum of £500,000,000 has been won in Australia; and the yield at the present time is of a value of £13,000,000 a year. There are enormous deposits of coal in various parts of Australia. New South Wales is the chief producer. Also in that state is the famous silver mine, called the Proprietary Mine. Its output has reached £32,000,000; and the mine has already returned to the shareholders about £10,000,000 in dividends.

There is a mine in Queensland, Mount Morgan, which is the greatest gold mine in the world. One of the wonders of this Mount Morgan mine is that all the geologists once said that, from the prevailing formation, it could not possibly be a gold mine. Our men of science were all wrong. Even now they are getting out of quartz £250,000 worth of gold, and out of copper more than £300,000 worth of gold; so that out of quartz and copper together they are getting about £550,000 worth of gold a year.

Coming to the Manufacturing industries; you do not expect a young country, with vast primary industries to develop, to excel in manufactures from the beginning. I am glad to be able to tell you, however, that our manufacturing industries are already growing at a rapid rate. We have in Australia already 13,000 factories, employing 257,000 hands. The building, land, and machinery represent £53,000,000. The value of output is £96,000,000. The value added in manufacturing to the raw material was £36,000,000; and, to show you how considerable the progress has been, during the last four years, that is to say from 1904 to 1908, there was an increase in the number of hands of no less than 54,000, or 26 per cent.

The total industrial production of Australia was

£164,000,000 for the year 1908, and that total represents an increase over 1904 of £50,000,000, or 44 per cent. in four years. Good seasons and high prices have had something to do with our progress; but in this instance of the manufacturing industries you will see the marvellous power of enterprise shown by our men of industry in getting over the difficulties of a small population.

Allow me to glance at the industrial conditions of Australia. I think I may safely say that there is no country on the face of the world to-day where labour has a more enviable position; and when I use the term labour, I use it in its legitimate sense. I look upon every brain and hand that is engaged in useful industry as coming under that honourable name. The masses of the people have this unrivalled combination; they have high wages, cheap food, reasonable hours of labour, and political power. Every man in Australia at the age of twenty-one and upwards has a vote, and only one vote; and every woman has a vote too. I do not enter for a moment into questions of political dispute in this country: I simply say that in Australia the Australian woman thoroughly deserves a vote, because she does her share of the world's work splendidly, and she has used her power, I think, in an intelligent, fearless, and independent way.

We have good factory acts. No child under thirteen in some states, and fourteen in others, is allowed to work; and the eight-hour day is more prevalent in Australia than in any other country in the world. There is another striking development. We have done more to make industrial disputes a matter of arbitration—compulsory arbitration—than any other country in the world. Some people say that has led

to an enormous number of disputes ; but the principle of substituting for brutal strikes some sort of intelligent judgment is one that must command general approval.

The system of Wages Boards and that of Courts of Arbitration are about to be tried in unison. Wages Boards seem to be so far the most expeditious method, and the one most generally resorted to. Each side of the dispute chooses a certain number of representatives, and a chairman is chosen, by different methods in different states. He is a man outside the trade, and if the others cannot come together he has the power of deciding.

I must invite you to remember that not long ago the whole of Australia was Crown land. In the beginning the Colonies were the sole landowners and landlords. They had enormous estates which they wanted to alienate. The large number of public activities carried on in Australia will be better understood when that is not forgotten.

There are many educational institutions in Australia. We have elementary, superior, and high schools, together with university education. Is there any country in the world in which the methods of public instruction cannot be improved ? When a boy leaves an elementary school to face the battle of life, he has learnt to read, to write, to spell—perhaps. But in the brightest and idlest time of his life he is too often looked upon as if he had finished his education. The education of a boy does not really begin until he leaves school ; and it will be a grand thing when we see educational guidance follow young England much farther along the path of his active life. The development of the young mind must be more thorough. The truest wealth in all countries is the wealth of

the human mind. That is a kind of wealth you never find in figures or statistics, yet it is the source of every other kind. The human mind has this marvellous attribute in common with the Creator—you can never see it as it is; you can only see it in what it does. The human mind is the only mine of wealth of which you can say the more you draw upon its resources the wealthier it becomes.

Ninety-three per cent. of the land in Australia belongs to the people; and we have 15,000 miles of government railways, which represent the larger part of the public debt. The revenue from them not only pays working expenses (£9,000,000) and interest (£5,000,000); but we also get a surplus revenue of £1,000,000 a year.

Before I close I should like to refer to the commercial condition of Australia, and the share of the United Kingdom in Australian trade. It is a subject of great interest at the present time. The Commonwealth is charged with all tariff matters; there is free trade over all Australia. The preference which the Federal Parliament has recently given to articles of British manufacture averages 5 per cent. on the value of the goods, and 24 per cent. on the rate of duty. That is a free, unconditional gift of the people of Australia to the people of the Mother Country. In the first year of its operation it meant giving up an amount of nearly £1,000,000 of customs revenue in order to help to show the feelings of kinship we have for you. Our over-sea trade in 1908 was 114 millions; our inter-state trade was 82 millions,—making a total of nearly 200 millions. Reckoned per head of population our trade with other countries was £6, 5s. 6d. more than yours; £18 per head more than that of the United States; nearly £13

more than that of France; more than £13 greater than that of Germany.

Now with reference to the proportion of our imports which come from the Mother Country. There is a distinction to be made here between goods of British origin and foreign goods re-exported from this country. And one of the remarkable things about your country is this: it sends out from your ports every year to Australia goods of a total value of nearly £5,000,000 which have come here from other countries. That part of your trade is thriving still. But coming to the country of origin only, the United Kingdom sent in 1908 nearly 51 per cent. of our total imports, the British Possessions nearly 13 per cent., and Foreign Countries 37 per cent. Of that 37 per cent., the United States sent 13 per cent., Germany 9 per cent., and France $3\frac{1}{2}$ per cent.

We have $8\frac{1}{2}$ million tons of shipping entered and cleared every year in Australia,—the British share is 74 per cent., foreign shipping is 26 per cent. And it is one of the grandest things about this country that British ships are not only carrying your own cargoes, but you are carrying cargo for all the nations of the world as well.

Our Banks are in a very sound condition. Their liabilities at call are 50 millions, and their assets are 26 millions sterling, more than half their legal liabilities.

In my young days in Australia there were some who strongly advocated separation. The drastic rule of Downing Street, as Australia knew Downing Street fifty or sixty years ago, had created unpleasant impressions. If there was ever any real desire to separate, the feeling has disappeared. We do not forget that the magnificent continent we possess, with its bound-

less resources and possibilities, was a free gift from the Mother Country. It was a great gift. You gave us a more precious gift than that. You gave us the right to manage our own public affairs in our own way. We also have the sense to remember that in these days of our national childhood we need your protection. When the marvellous strength which is to come to Australia in later days does come, then we will be able to defend ourselves. The flutter of the White Ensign of the British navy on the oceans now gives us peace and security. Among our aspirations one of the warmest is this,—that we may soon acquire the strength of manhood, in order that we may repay you for what you have done for us.

Ladies and gentlemen, I thank you for your attention. I have come from the farthest of the Dominions beyond the Seas; and yet I feel more closely connected with you than the nearest neighbours of other nations can possibly be. Do I forget that your kith and kin are my kith and kin? Although our race is spreading and striving over the face of the whole world, we always manage to stand shoulder to shoulder in the defence of our Race and our Empire. I think we may well be pardoned if we feel a thrill of pride and satisfaction at the thought of the family circle of nations which has its Imperial centre in these realms. The centre of this Empire may shift,—perhaps even to another hemisphere,—but whether its heart beats in Canada, or Africa, or Australia, or beats still in this Mother Land, may God grant that our descendants may have this great blessing,—that the integrity, the leadership, and the glory of our Imperial Union may remain unsullied and invincible.

AUSTRALIA

II. *Sir Albert Spicer*

IN fulfilling the promise to address you this evening on the subject of Australia, I cannot forget that my first visit to that country in 1887 was made in companionship with one of Birmingham's great citizens,—and, I venture to add, one of England's great men,—the late Dr. R. W. Dale, with whom to travel was in itself an education. Since then, at the beginning of this century, the six states of New South Wales, Victoria, South Australia (including the Northern Territory), Queensland, Western Australia and Tasmania have been united into the Commonwealth of Australia; and, though I shall refer to some special features in connection with the various states, I intend to speak mainly of the Commonwealth as a whole.

That Commonwealth has a total area of 2,974,581 square miles: a country greater in extent than the United States of America, equal to four-fifths of the total area of Canada, comprising more than one quarter of the whole British Empire, and equal to nearly three-quarters of the whole area of Europe.

The physical features of Australia are remarkable in several respects. In no other country in the world does the coast-line bear so small a proportion to the area of the continent—a proportion of one mile of coast to every 333 square miles of area. Again, Australia is unique in possessing neither mountains

above the level of perpetual snow, nor active volcanoes; and further, she has no rivers (with one great exception) connecting the coast-line with the interior, and no lakes of any size or permanence.

Roughly speaking, the continent is divided into three distinct kinds of country—the forest lands of the coastal rim, the upland plains of the descending downs, and the central basin of desert. The coast districts are rich in alluvial soil and grow a profusion of trees and vegetation, with dense forests on their inland margins: behind these are great rolling downs, with frequent clumps of timber, which in turn give place to an expanse of treeless plain.

It is well to bear in mind in relation to Australia's large area that 1,149,320 square miles lie within the tropical zone; the balance, 1,825,261 square miles, within the temperate. This means that the tropical part is five-thirteenths of the whole area of the Commonwealth—or that the temperate region is half as large again as the tropical.

Again, another very important matter affecting Australia in many ways is the rainfall. We find that out of the total area there are—

1,086,337 square miles with rainfall under 10 in. per annum.					
1,041,815	„	„	between 10-20	„	„
505,886	„	„	„ 20-30	„	„
162,097	„	„	„ 30-40	„	„
178,446	„	„	over 40	„	„

That great area had an estimated population in 1908 of 4,275,306 souls, viz. :—

New South Wales	.	.	.	.	.	1,591,673
Victoria	.	.	.	.	.	1,271,174
Queensland	.	.	.	.	.	552,345
South Australia	.	.	.	.	.	407,179
Western Australia	.	.	.	.	.	267,111
Tasmania	.	.	.	.	.	185,824

Of the total population, the number of the aborigines of Australia is roughly estimated at about 100,000: the remainder of the population are mainly of British race. At the last census, March 1901, 77.23 per cent. of the population were Australian born; of the remainder, 18.03 per cent. were natives of the United Kingdom, and 0.68 per cent. were natives of New Zealand; that is, 95.94 per cent. of the total population at the date of the census had been born either in Australasia or the United Kingdom. The other birth-places most largely represented in the Commonwealth were Germany, China, Scandinavia, Polynesia, British India, United States of America, Italy, and parts of Asia.

To turn to the subject of the political constitution of the Commonwealth. Each state has its own Parliament; and, in addition, there is the Commonwealth Parliament, which has the right to legislate in affairs affecting the Commonwealth as a whole. The Federal Parliament consists of the Sovereign, the Senate, and the House of Representatives,—the Sovereign being represented by the Governor-General. The Senate is composed of six senators for each original state, chosen for a term of six years. In the House of Representatives the number of members is, as nearly as is practicable, twice the number of Senators; and the numbers of members elected from the several states are in proportion to the populations of the states. The House itself is elected for a term of three years, but may be dissolved by the Governor-General. Every adult throughout the Commonwealth, who has the right to exercise the franchise in his own state, has a right to the franchise in respect of both federal houses.

It may be of interest to explain the provision that has been made for the settlement of differences of opinion, when they occur, between the two federal houses in matters of legislation. To cope with deadlocks, it has been enacted that if the House of Representatives passes any proposed law, and the Senate rejects the same or amends it in a way not acceptable to the House of Representatives, and if the House of Representatives after an interval of three months, in the same session or the next, repasses the same proposed law only to have it rejected again, or amended unacceptably by the Senate, then the Governor-General may dissolve both Houses simultaneously, provided the natural expiry of the House of Representatives be not due to occur within the next six months of his doing so. If, after such dissolution, the proposed law meets with the same treatment, the Governor-General may convene a joint sitting of both houses at which the will of the composite majority shall prevail; and the bill shall be taken to have been duly passed (or not passed, as the case may be) by both houses of Parliament.

The total number of Members of Parliament in Australia stands at 660; of whom 111 belong to the Commonwealth houses, and the remainder, 549, in varying proportions, to the separate State Parliaments. The support of this large number of paid Members of Parliament by so comparatively small a population is obviously very expensive for the community; and I doubt not that, in the course of time, the tendency will be to widen the powers and functions of the Federal Parliament, and at the same time reduce the powers and functions now possessed by the separate State Parliaments. On

the other hand, there will always be a necessity for local Parliaments, even with somewhat reduced powers; for, in dealing with the question of administration, the large area of Australia has always to be taken into consideration. The long distances between various capitals are of significance in this connection; *e.g.* from Perth, the capital of Western Australia, to Adelaide in South Australia is some 1200 miles by sea. The railway between the two capitals, which is in contemplation, would reduce the journey to some 1019 miles. Again, Adelaide, the capital of South Australia, is about 483 miles from Melbourne; Melbourne about 582 miles from Sydney; Sydney, in its turn, 725 miles from Brisbane. The distance from Sydney to Hobart is 640 miles, a matter of two days; from Melbourne to Hobart, 475 miles, a matter of thirty-six hours.

Another reason for the continuance of local Parliaments will probably be found in the development of Australia's system of State aid and guidance. This plays so vital a part in the Commonwealth that there is constant need for communication between the people and their representatives.

With regard to the population, I have said that it is mainly of British race—the children, grandchildren, and great-grandchildren of those who came out from the Mother Country to seek wider opportunities of life and service. These various generations have lived and are living in what is, on the whole, a delightful climate, with the drawback, however, of a small rainfall—a condition of things which naturally entails for the people, from time to time, periods of great exertion and conflict. For the rest, the climate lends itself to the cultivation of outdoor life; with the result that the Australians have developed into

a people fond of sport of every kind, and have proved themselves good sportsmen, who can work hard, but find it easy to slack and enjoy holidays, of which they have not a few. I had an opportunity of seeing a great procession of the working classes in Australia at Adelaide on Labour Day. In the main, they were strong, hard-headed, well-developed men, better dressed than a similar procession would have been at home; and I could not help feeling, as I watched them in their steady march, that they were a body of men of whom any country might be proud. They showed the existence of a big reserve power.

The next question that arises is this: how is this population using the resources of the country for whose destiny they are responsible? Let us turn to the year 1908, and we find the estimated values of production from the various industries were as follows:—

Agriculture	£37,150,000
Pastoral	47,259,000
Dairy, poultry, and bee farming	15,045,000
Forestry and fisheries	4,286,000
Mining	24,568,000
Manufacturing	36,637,000
<hr/>	
Total	£164,945,000

This great total means a production at the rate of £38, 19s. 2d. per head of population,—an increase of about £9 per head since Federation,—and an average larger than that of any other part of the British Empire except New Zealand. This is, I consider, the outstanding fact to the credit of the people of Australia.

You will observe that the first five items in the

given list of Australian production represent a total of £128,000,000 odd, or 78 per cent. of the total production. These are all primary industries. The secondary, as represented by the manufacturing industries, had a total of £36,000,000 odd, *i.e.* 22 per cent. or less than one-fourth of the whole. And it is important to bear these proportions in mind when considering questions that relate to the economic, industrial, and commercial policy of Australia.

If we examine the Commonwealth production under its various heads, we find, first taking Agriculture, that whereas the area under crop in the year 1860-61 was 1,188,282 acres, it had increased in the year 1908-9 to 9,892,393 acres,—a figure which represents only $\frac{1}{2}$ per cent. of Australia's total area, but which means an average of $2\frac{1}{2}$ acres per head of population. Of the acreage under crops for the year 1908-9, 80 per cent. was under wheat and hay; wheat occupying that year 5,262,474 acres; and hay, 2,452,623 acres. When we come to the actual production of wheat we find that the Commonwealth in the

Season 1900-1 produced 48 million odd bushels

„	1902-3	„	12	„	„
„	1903-4	„	74	„	„
„	1908-9	„	62	„	„

In quoting these figures, I would have you notice the variability of the production, as exemplified by the 12,000,000 bushels of the season 1902-3 over against the 74,000,000 bushels of the season 1903-4. And this variability is a fact which we must ever bear in mind in considering the important question of the food supplies of the Old Country.

If we look at the yield per acre, we find that the figures again show these great variations, which are

the natural results of a small and uncertain rainfall. Thus in

1901-2 the yield of wheat per acre was 7.54 bushels.

1902-3 " " " 2.40 "

1903-4 " " " 13.32 "

1908-9 " " " 11.89 "

That the quality of Australian wheat is remarkably good is attested by the fact that in the five years, 1904-8, Australian wheat realised the highest prices on all occasions except one, when it stood second.

Thus to exemplify, we find—

Average Prices per Imperial Quarter

From	1904.	1905.	1906.	1907.	1908.
	<i>s. d.</i>	<i>s. d.</i>	<i>s. d.</i>	<i>s. d.</i>	<i>s. d.</i>
Germany	31 2	31 11	27 7	25 0	33 7
Russia—					
Northern ports	30 9	31 2	28 6	32 11	35 5
Southern ports	30 9	31 9	29 10	32 8	38 3
Australia	31 4	32 4	31 2	33 8	37 7

Turning to the Pastoral industry, we find in it one of the chief sources of Australian prosperity. The industry has, as it were, two branches in each of its departments, according as the flocks and herds are reared for slaughtering or other puposes. Thus, sheep are reared for the double purpose of wool and food supplies; cattle for slaughtering and as dairy herds; and in this latter respect the industry is making great progress—as we in the Old Country already know by our imports of dairy produce from the Commonwealth.

One of the early pioneers, Captain Macarthur, realised the suitability of the Australian climate and general conditions for the production of wool. In 1908 the number of sheep in the Commonwealth was 87,034,266: and in the list of sheep-rearing countries of the world, thirty in number, Australia stands first both as to number and size of flocks, and the quantity and quality of wool produced. The estimated value of Australian sheep in December 1908 was £45,340,000. The value of the output of wool for the year 1908 was about £23,000,000. Most of the wool produced in the Commonwealth is exported; but, with the increased activity of local woollen mills, a growing quantity is used for home purposes, though even now the quantity so used represents less than $1\frac{1}{2}$ per cent. of the total clip.

As to cattle, in 1908 Australia totalled 10,547,629 head, of an estimated value of £57,160,000; and in the world's list of cattle-rearing countries, thirty-one in number, Australia stands ninth.

In the matter of horse-raising, the suitability of Australia's climate and pastures for the production of serviceable breeds has been fully recognised. Through these natural advantages, utilised to the fullest extent by careful selection in the matter of breeding, Australia has been able to achieve the excellence, in all varieties, of the Australian horse, and to win a high reputation in this respect, especially in India. The number of horses in the Commonwealth in 1908 was estimated at 1,927,731, of a total value of £21,220,000; and in the list of the world's horse-breeding countries Australia stands ninth among twenty-eight.

Although Australia is pre-eminently a pastoral and agricultural country, yet its Mining production and

developments are of great and increasing importance. It was the discovery of mineral wealth that first attracted a large population to Australia, and thus was laid the foundation of its nationhood. While coal was the first mineral discovered, it was gold that was responsible for the formation of various settlements and for the influx of population.

The total mineral product of the Commonwealth has been as follows :—

Up to end of 1908	£714,903,750
In 1908	24,568,064

As to gold, we find that the total yield in Australia, for the first fifty years after the discovery of that mineral, viz. 1851–1900, amounted to 100,111,572 oz. The production seems now to have settled down to an average of some 3 million oz. per annum.

In examining the Manufacturing industries of Australia we find that the value of production therefrom amounted, in the year 1908, to nearly £37,000,000. These industries are in the main secondary, the actual amount of *raw* material used being very small, and the manufacturing itself consisting in the production of articles out of the already manufactured commodities of other countries. These industries have been largely but not entirely (for New South Wales is an exception) established as the result of import duties. Their province is chiefly that of the large towns; and their most important classes are manufactures in wood, metal, machinery, food and drink, clothing and textile fabrics, printing, vehicles, saddlery, ships and boats, and furniture.

It was reckoned that in 1908 the number of persons employed in the manufacturing industries was 257,526, of whom men numbered 182,322, women

60,478, and children 14,726; receiving wages to the sum of £19,886,432 (an average of £77.22 per head), of which the largest items were in

Metal works	£5,060,989
Clothing and textiles	3,355,012
Food and drink	3,054,449

The Commonwealth figures representing capital invested in manufacturing industries in 1908 are as follows:—

Land and buildings	£26,887,611
Machinery and plant	25,960,704
Total	<u>£52,848,315</u>

i.e. £12.48 per head of population.

In all the states female labour is regulated by Act of Parliament; the number of working hours for women being now limited to forty-eight hours per week throughout all the states save Tasmania, where the maximum number of working hours is fixed at ten per day.

Child labour in factories also comes under parliamentary regulation. The minimum age of children for employment is placed in New South Wales, Queensland, and Western Australia at fourteen years; in other states at thirteen years. Of the total number of children employed in 1908, viz. 14,726, 8265 were boys and 6461 girls.

I now come to the question of where Australia sends this large production, or rather the surplus over and above the comparatively small amount that she keeps for her own consumption. My figures will relate chiefly to the totals for the five years 1904-8,

during which time the export trade amounted to £321,200,018, of which Australian exports proper were £307,463,202, and re-exports £13,736,816.

To start with Wool, her chief export, we find that the estimates for the Commonwealth show a total in its export trade for the five years, 1904-8, of £111,396,321, of which

United Kingdom took . . .	£52,000,000 odd	—
France	24,000,000	„
Germany	16,000,000	„
Belgium	11,000,000	„
U.S.A.	4,040,000	„
Japan	1,000,000	„
Italy	400,000	„
India	72,000	„
Canada	39,000	„
New Zealand	23,000	„
Other countries	49,000	„

From which we see that the countries outside the United Kingdom took 53 per cent., while we took 47 per cent.—a fact we do well to bear in mind in considering our Imperial commercial arrangements.

Again, in the matter of the Commonwealth exports of Sheepskins with wool, we find the figures for the five years, 1904-8, give a total of £6,338,573, of which

France took	£2,737,000 odd
United Kingdom	2,659,000 „
Belgium	801,000 „
Germany	76,000 „
U.S.A.	43,000 „
Italy	16,000 „
Canada	2,000 „
New Zealand	600 „
Other countries	180 „

Here, again, whereas the countries outside the United

Kingdom took 59 per cent., the United Kingdom only took 41 per cent.

Again, in the export of Hides, the Commonwealth figures for the same five years, 1904-8, totalled £947,859, of which amount

United Kingdom took	. . .	£299,000 odd
Belgium	. . . . .	224,000 „
Germany	. . . . .	153,000 „
Italy	. . . . .	125,000 „
U.S.A.	. . . . .	47,000 „
Japan	. . . . .	34,000 „
France	. . . . .	32,000 „
Canada	. . . . .	15,000 „
Austria-Hungary	. . . . .	10,000 „
Cape of Good Hope	. . . . .	186 „
Other countries	. . . . .	5,000 „

Our percentage was 31 per cent. against 69 per cent. taken by other countries.

The export trade of Cattle sent in the form of frozen beef we find amounted in the five years, 1904-8, to 95,955 tons, of a total value of £2,346,100 ; of which

Philippine Islands took the value of	£596,000 odd
Natal	. . . . . 452,000 „
Cape of Good Hope	. . . . . 482,000 „
United Kingdom	. . . . . 290,000 „
Russia	. . . . . 287,000 „
Egypt	. . . . . 81,000 „
Malta	. . . . . 47,000 „
Straits Settlements	. . . . . 35,000 „
Gibraltar	. . . . . 18,000 „
Hong Kong	. . . . . 14,000 „
Mauritius	. . . . . 12,000 „
Japan	. . . . . 6,000 „
Ceylon	. . . . . 6,000 „
Hawaiian Islands	. . . . . 180 „
Other countries	. . . . . 10,000 „

Our proportion was 13 per cent.: that of countries outside the United Kingdom, 87 per cent.

Again, with regard to the export of Horses, Australia exported during five years, 1904-8, 66,982 horses, of a total value of £1,394,454. Of this number

India took	39,850
Hong Kong	8,308
Straits Settlements	3,839
Java	2,973
Japan	2,385
Philippine Islands	2,059
Mauritius	1,493
New Zealand	1,050
Natal	967
China	664
German East Africa	622
Cape of Good Hope	481
Ceylon	405
Other countries	1,886
	<hr/>
	66,982

To turn to Wheat and the Commonwealth's export of it, we find that during the five years, 1904-8, the total amount exported was 132,068,101 bushels, of which the United Kingdom took 97,251,684 bushels, and the Cape of Good Hope, coming second on the list, took 18,272,231,—the United Kingdom thus absorbing 73 per cent. of the whole.

Now, in calling your attention to these various exports, I would bring to your notice the growth of Australian commercial relations not only with Europe but also with the countries of the East—countries lying geographically in an extremely favourable position for purposes of trade with Australia. Great attention has been given in recent years by Australian exporters to the possibilities of

the Eastern markets. Commissioners have been sent by the various states to Eastern trade centres to investigate the requirements of these markets in relation to Australian commodities. The export returns for the last six years show a material increase in the value of trade with the East. The chief countries concerned are China, India, Ceylon, Burmah, Japan, Java, the Philippine Islands, the Straits Settlements, and Hong Kong.

Having looked at some of Australia's Exports in detail, we turn to the subject of Imports which naturally follows. And here we find that Imports for the five years, 1904-8, totalled £221,720,791.

The total imports for the year 1908 (including bullion and specie) amounted to £49,799,273, of which the

		Per cent.
United Kingdom supplied	£29,930,157	<i>i.e.</i> 60.10
British Possessions . . .	6,389,624	„ 12.83
Total British countries . . .		72.93
Foreign countries . . .	13,479,492	<i>i.e.</i> 27.07
	<u>£49,799,273</u>	

Of the amount from foreign countries, viz. £13,479,492, Germany supplied £3,509,120; U.S.A., £6,039,753.

If we examine the principal imports from foreign countries we find that from France, in year 1908, Australia bought, to quote the chief items:—

Apparel and textiles to the value of . . .	£786,248
Drugs and chemicals	224,398
Spirits	172,169
Wine	109,357
Fancy goods	22,282
Motor vehicles and parts, &c.	87,833

From Germany in the same year, 1908 :—

Metals and manufactures of metals	£1,272,354
Apparel and textiles	1,248,115
Glass and glassware	84,137
Stationery	82,668
Indiarubber manufactures, &c.	80,553

From U.S.A. in the same year :—

Manufactures in Metal	£1,988,504
Textiles	188,611
Apparel, including boots and shoes	156,571
Cameras, magic-lanterns, phonographs, &c.	102,342
Medicine	78,707
Furniture	52,604

With reference to the total amount of Imports during the five years, 1904-8, which stood at £221,720,791, we find that the United Kingdom sent 59.31 per cent.—against a percentage during the quinquennium 1902-6 of 58.30, and during the years 1897-1901 of 62.77.

More details as to variations in the proportion of imports from the United Kingdom and other countries may be seen from a comparison of percentages during certain years. Thus :—

*Percentage Proportion of Import Trade from
Undermentioned Countries.*

Year.	United Kingdom.	British Possessions.	Germany.	U.S.A.	Total Foreign.
1886	73.37	11.23	2.05	6.11	15.40
1898	66.62	10.88	5.86	10.16	22.50
1908	60.10	12.83	7.05	12.13	27.07

The nature of the imports from the United Kingdom and Germany are substantially the same.

The increase in imports from U.S.A. is due to such items as kerosene, oil and timber—none being items that affect British trade.

These figures, with regard to Australian imports from foreign countries and Great Britain, are an exact reflection of what I gathered during my visit to Australia last year. During that visit I made it my duty, wherever I was, to inquire into the source and origin of what I found being used, whether on railway or road, or in the factory or the home. And everywhere I found the same story: Australia buys from that country where she can obtain the article she likes best and thinks best adapted to her own purpose. Her people are quite willing that their Government should give some preference in the case of imports from the Old Country; but I feel I do not libel the people themselves as individuals when I say that they are very rarely willing to give individual preference when it comes to the question of individual buying. In that case, as is only natural, the Australian wants the article he likes at the lowest price. In this connection it must be remembered that a good number of the Australians, especially amongst the leaders in commercial enterprise, are a more travelled people than those of the same class in the Old Country. They come periodically to Great Britain to visit the people at home, and they utilize the different routes—at one time coming through Canada, at another time through the United States, and again through the Suez Canal, dropping off at Naples or Marseilles, and reaching Great Britain via the Continent. In recent years some have come home by India, and others by China and the Trans-Siberian

Railway. Such journeys naturally afford splendid opportunities to wideawake men for observing what others are doing; and many of the workshops and factories in the Commonwealth prove that the Australians have made good use of their observations. In the main, those factories and workshops are filled with machinery and appliances from many different countries—each article from the country which the Australian believes to be most up-to-date in that particular line. In some cases, before placing the orders outside British houses, efforts have been made to get the old connections to meet the need for improved appliances; and the charge is that in some cases no efforts have been made on the part of the old connections to meet newer developments, and, consequently, trade has been lost. It is this feeling, that the Old Country has been a little falling behind, and is therefore needing a little help, which has given increased support to the policy of Preference!

Another explanation of the cosmopolitan tendency of the Australian as a buyer, is that the Australian, living as he does at such a great distance from the centre of the civilisation to which he belongs, naturally feels sensitive to the risk of being left out, and consequently studies advertisements of every kind. This tells in many departments; as, for example, Australian labour is dear, machinery of a labour-saving kind is constantly being sought for and made use of. Yet another feature I would have you observe in relation to certain cases. During my visit I was constantly reminded by what I saw of the fact that English industries originally grew up to supply the wants of the Home Country and, speaking generally, of the older countries of the world. Now Australia has discovered that some new countries,

like the United States, can supply certain articles best, simply by reason of their understanding the requirements of other comparatively new countries. I found, for instance, in Western Australia, in the Jarrah wood forests, American locomotives being used on what I may describe as pioneer rails. These rails are laid and used temporarily in certain parts of the forests and then transferred elsewhere. On the other hand, English locomotives are used on permanent lines. On inquiring the reason for this distinction, I was told that while the locomotive from America was acknowledged to be of inferior make, in some respects, to the British, yet it was by design better suited to the rougher work of the pioneer rail. The same explanation may apply, for example, to the question of American saws and axes. America has its hard woods like Australia, and has had therefore to discover how to make saws and axes of a suitable sort. I would add, however, that though in some cases I heard complaints and saw traces of a certain slowness on the part of the Britisher at home to adapt himself and his production to the requirements of a new country, I believe that in the last few years much progress has been made in this respect. The fact is, for many years the Old Country traders and manufacturers have been able to pick and choose what they would make, and to decide what was not worth their while. Indeed, we have been somewhat spoilt by our enormous, and still growingly enormous, trade with all the world.

I would next like to consider the question of what has assisted the comparatively small population of Australia to effect the great production of which they

may well be proud. The answer is undoubtedly,—in addition to individual effort,—the wonderful and energetic and elastic help given by the various State Governments. Take, for example, that afforded by the railways. Except for 1,580 miles of private lines, all the railways in the Commonwealth (reaching a total mileage of 15,072½) are State-owned. With regard to these Government railways we find:—

Cost of Construction and Equipment to 30th June 1909

Average cost per mile open	£9,512 0 0
Cost per head of population	33 19 0

Total Gross Revenue

1900-1	£11,038,000
1908-9	14,750,000

Percentage of Working Expenses to Gross Earnings

1900-1	64.76 per cent.
1908-9	59.84 „

Net Revenue

1900-1	£3,889,000
1908-9	5,924,000

Percentage of Net Revenue to Capital Expenditure

1900-1	3.15 per cent.
1908-9	4.13 „

The weak point in the railway system of the Commonwealth is the want of uniformity in the gauges of the several states. The extra cost, delay, and inconvenience incurred by the necessity of transferring through-passengers and goods at places

where there are breaks of gauge are becoming more serious as the volume of business increases. New South Wales has its own gauge of 4 ft. 8½ in. over a mileage of 3623¼; Victoria and South Australia have a combined mileage of 3928¼ with a 5 ft. 3 in. gauge; while Queensland, South Australia, the Northern Territory, and Western Australia have together 6976¼ miles with a 3 ft. 6 in. gauge. By far the greater part of the mileage of the private railways open for general traffic has the 3 ft. 6 in. gauge; so that if ever a unification of gauge is brought about, as has from time to time been proposed, the 3 ft. 6 in. gauge, from the mere preponderance of mileage, would seem to be the one for adoption. But additional considerations of an economic and engineering nature will doubtless have to take precedence in the settlement of the matter.

But to revert to the general benefit afforded to the people by the system of state railways. While, on the one hand, I have no doubt that there is a certain amount of truth in the statement that, from time to time, branches have been constructed to please political constituents, there still remains the obvious fact that the railways built and carried on by the state have been of incalculable assistance to the people. And now that various states have Railway Commissioners who are chosen quite apart from party, and who have been given safeguards against political influence, the system is likely to be still more useful in the future. Let me give you an illustration of the advantages afforded. A fruit-grower living 17 miles out of Sydney, having 31 acres of land under fruit, can send 56 lbs. of his produce in a case to Sydney for one penny. For another penny it is conveyed to the market. A third penny goes

to the Government for the use of the market ; and a fourth penny pays the salesman for selling the fruit : the case is returned to the fruit-grower free of charge. My friend and co-delegate, to whom this fact was told, thought it an extraordinary story, as he knew that the same service in the Old Country would cost sixteen and a half times as much ; but when he mentioned it to Australian friends, they looked upon the statement as quite commonplace. In view of what has already been accomplished by the railway system, there are many people who at the present time appeal for railways as pioneers in new districts not yet sufficiently occupied. The railways already established have at the moment a promising prospect before them ; as, for example, in New South Wales, where, through the gradual growth during the last five years in closer settlement, through the absorption of Crown estates and the breaking up of large private estates under the various "closer settlement acts," the opening of fresh spheres of labour means the furnishing of fresh freight to the railways. The railways themselves (of 15,072 miles) in the Commonwealth have been built out of capital borrowed from the Old Country, and, in conjunction with the State tramways, form a very important asset in respect of the Public Debt, representing, indeed, seven-twelfths of the total assets.

Another form of assistance beneficially rendered by the State is to be found in the help afforded in the starting of new enterprises. I would give as an illustration the case of a fruit-growing industry near Melbourne. The Government erected there recently a cold storage, where the growers might periodically deposit their produce instead of having to send fruit to market directly it was

ripe, at times when there was a great glut and prices were low. In this way they could send their fruit to the market as the market required it. After this cold store had been run for a little while, the State offered to transfer it to the district on the condition that all growers took their share, refusing to pass it over into the hands of a few of the larger growers, who might have used it to the detriment of the rest.

Similar assistance was afforded in the early stages of the mining industry. And mining reminds me of that wonderful undertaking of the Western Australian Government, the Mundaring Weir,—a scheme put through at a cost of over £3,000,000 at a time when the population of that state was not more than 100,000 souls. The purpose of the enterprise was to supply the Coolgardie gold-mining district with the water of which it was so short. The weir was erected in the neighbourhood of the Darling Range, about 20 miles from Perth; and, by means of a series of pumping stations, water to the quantity of 5,000,000 gallons per day is brought over a distance of 351 miles. This supply is now officially known as the Goldfields Water Supply of Western Australia; but at present not only the mining districts are thus provided, but also in addition some twenty-six towns and townships. As one looked at the great stone wall holding back the water of the Mundaring River, one could not help feeling proud of the stupendous achievement of one's fellow-Britishers who had had the pluck to carry out such a scheme at such a time.

Again, we find State help provided in the employment of Government experts to instruct the people in new industries. Then, also, there is governmental

superintendence and inspection of the products of the various industries, *e.g.*, in the examination of all articles of food for export; in which latter respect we, as well as Australia, may be said to profit, in that it gives us here a wonderful security in the knowledge that all food coming to us from Australia, whether meat, fruit, poultry, or butter, &c., has been properly inspected, nothing that is not suitable for use being allowed for export.

To quote one more variety of State help afforded to individuals, there are the Government loans to farmers. All states have established systems whereby financial aid is rendered to agriculturists. To give one illustration. At the present time in Western Australia, if a new settler is deemed suitable by the head of the Agricultural Bank, he may take up 160 acres of land, and with help given by the Agricultural Bank, and by the Agricultural Department, and also from manufacturers and distributors of agricultural machinery, he may, in some cases, start with practically no capital of his own beyond his bone and muscle. Up to the time of my visit, the head of the Agricultural Bank had, on behalf of the Western Australian Government, advanced to new settlers up to the amount of £1,100,000; and his bad debts in 1909 stood at £18.

I ought not perhaps to dismiss this point without referring to the help afforded to the industries through the agency of the State agricultural colleges and experimental farms, of which the number of the former in the Commonwealth is 5, and of the latter 35, with 590 students, who have 48,960 acres under their care in the farm areas.

Whilst thus considering what the Governments have

done for the development of their states, we may well ask : Why, with these advantages, has the population increased so comparatively slowly? The first reply must be, because of the distance from home. To be willing to restart one's life 12,000 miles away is an undertaking that requires courage and a great spirit of enterprise. Secondly, the discovery by early settlers that the land of Australia was specially suited to the production of wool has undoubtedly had a great effect upon the population. During my recent visit to Australia I was on three large sheep stations, one of 75,000 acres, a second of 55,000, and a third of 23,000, the regular staffs on each of these stations being 30, 20, and 11 men respectively, with an increased number, amounting to some 70 or 80 in the case of the largest station, during the few weeks of shearing. Efforts are now being made, where estates are suitable, to open up by State purchase some of the larger estates, or parts of them, for closer settlement. But this is necessarily a slow operation, and many of the great wool-growers are not enthusiastic in this movement, one reason being, I think, that the great Australian wool-grower is nothing but a wool-grower. Wool-growing is a great industry, and the head of a station has studied his subject thoroughly : what he does not know about wool is not worth knowing. The few men he employs in their turn become experts in the same direction. But the wool-growers of Australia are in no sense farmers, and know nothing or practically nothing about ordinary mixed farming. Then again, very often large parts of their stations are unsuitable for closer settlement, except perhaps certain portions scattered here and there. Hence it is easy to realise that a great wool-grower does not care to allow pieces of

his estate to be picked out for closer settlement. On the other hand, some owners are realising the national claim for closer settlement, and are willing to sell parts of their estates; and the Government, by its policy of taxing the unimproved values of land, is aiming at inducing all the owners of large estates to open their land for closer settlement.

I have referred at an earlier stage to the influence upon the growth of the population of the discovery of gold, which effected a sudden influx of people and a rapid settlement of the country in 1851 and the following years. The figures of increase witness to the impetus received. The increase of population during the ten years, 1840-50, before the discovery, was only 214,948; after the discovery, during the ten years, 1850-60, the increase was estimated at 740,229. As, however, the production of gold has in recent years settled down into one of the permanent industries of the country, it has had less influence on the growth of population.

Another point we have to bear in mind in connection with the question of the peopling of Australia, is that many of those who have gone out to the Commonwealth from the Old Country have been accustomed to town life. If they are able to live in the towns with all the extra comfort and pleasures that town life affords, they are inclined to stay there. Again, the fact that the Government has given a system of Protection to a large number of Australian industries has naturally led to the starting of various enterprises. These have been already appropriated, and that where labour could be easily obtained. It is undoubtedly an obstacle to the increase of the population that so large a proportion of the people should be centred in the capitals of the six states,

where to-day, out of the total $4\frac{1}{2}$ odd millions of the Commonwealth's population, $1\frac{1}{2}$ millions are living.

May I mention here in passing that in relation to import duties, the town and the country are not on the same footing? These import duties were introduced originally for the sake of revenue, which, in a new country, could be collected at the port of entry much more economically than from private individuals scattered over wide areas. The duties next came to be imposed for the purpose of giving assistance to infant industries, and were ultimately raised to a sufficient height to protect those industries from Old World competition. Owing to the system of high tariff thus established, the cost of the Australian-made article, and also that of the imported article of the same class, is raised, and these increased prices the agriculturist has to bear in his production. Now, seeing that he has to sell his surplus production, over and above that which is consumed in Australia, in the home markets in competition with the other countries of the Old World, the margin of profit that he looks for is naturally affected.

In the early days of settlement, assisted immigration played an important part, and it still continues. Since earliest times up to the end of 1908, immigrants to a total number of 660,065 have received assistance, whole or partial. Of this number

New South Wales has helped	.	.	218,393
Queensland	.	.	173,448
Victoria	.	.	140,589

these states being considerably, in this respect, in advance of the others; South Australia helping 95,348; Western Australia, 10,588; Tasmania, 21,699.

No doubt the question of population will be more and more considered in the future by the people and Government of Australia. The Commonwealth is not going to be satisfied with its present rate of progress in this respect; but at the same time it has made up its mind that Australia shall be white. The Australians are determined to overcome the difficulty of the white man working and living in tropical areas. The trend of opinion also seems to be that future developments, whether in railway or other great enterprises requiring much land, shall be carried out in the main by the State, or by capitalists living in the country. The State will borrow for these purposes mainly from the Old Country at the low rate of interest that the Commonwealth's credit and connection justify. In the same way the State will superintend immigration and aim at securing a larger and larger amount of the right sort of people from the Old Country. Personally, I do not think Australia will be able to obtain sufficient on the old lines. She does not want emigrants from this country accustomed to town life: she wants the people from the country-side. I venture to think we have not many of that class to spare to-day; and when I think of some of the movements that are going on in our country at the present time, I make bold to say that we shall have fewer still to spare in the future. There arises here the definite question: Will the Old Country therefore be unable to provide what Australia wants? My reply is that I believe she *can* make some provision, at any rate for a time, and, incidentally, to her own, as well as Australia's, good.

At the present time in this country there is an evil growing up, which is being daily more recog-

nised; namely, that in a number of industries boys are being employed during the period of boyhood, and, when they reach incipient manhood, they find themselves in a sort of blind alley. Many of these industries are known to us all. There is, for example, the Post Office Department of His Majesty's Government. It is admitted by the Government that every year it has to dismiss some 6000 boys, for whom it cannot find continuous employment after the boyhood stage. It realises that it has some obligation towards these boys, and it is considering the question what to do with them. I venture to suggest to it and to the Australian states that here is a case for the starting of a new movement. Let the Postmaster-General make an offer to these boys and to the Commonwealth (or any of our Over-sea Dominions), that if they be willing to go upon the land and to remain there for a definite term of years, the British Government will provide a free passage and a certain sum towards outfit, provided the Commonwealth Government are willing to take charge of these boys on arrival, place them on farms and provide for their supervision, acting, as it were, as a Court of Appeal during the earlier years of the boys' settlement—a procedure that would be necessary if a spirit of confidence were to be implanted in the parents at home. Such a proposal would, of course, relate only to these 6000 Post Office boys who annually find themselves in a blind alley. But from the boyhood of England generally even more might be done in the way of providing an increase of population for Australia.

When I was in Australia I was told that the boy of 16 to 18 proved the best material for immigration, being not too old to adapt himself to the ways of

the new country, and becoming speedily a growingly valuable asset to his community. Another advantage attached to boy immigration is that town boys are as suitable as country boys. At the present time I believe that this country can spare a number of its boys, at any rate for two or three years. It would mean the vacating of positions that would be quickly filled by those who have been displaced by boy labour ; and I believe firmly that the movement would be one calculated to help both this country and the Dominions Over-seas. One thing is perfectly clear. It is that Australia cannot safely and continuously incur the heavy risk of presenting to other nations the sight of so great a country, of practically boundless undeveloped resources, in the hands of a comparatively small and inadequate population. Accordingly, it remains for her to initiate a movement to help immigration—a movement that will not clash with her determination to adhere to a White Australia. It would be a remunerative policy for Australia to devote a good sum annually to inducing boys (and, I hope, in time, girls and young women), under proper Government supervision, to migrate and thus fill up gradually some of the great empty spaces of that resourceful country.

I have said that Australia has determined that her great enterprises in the future, as in the past and now, shall be carried out in the main by the aid of the State and of capitalists living in the country. This policy she has been able to pursue hitherto through her various State Governments by means of loans from the Old Country, with the result that her Public Debt is of large proportion. Thus, in June 1909, the total amount outstanding was

£251,773,533, showing an indebtedness per head of £58, 5s. 9d. as compared with £53, 13s. 11d. in 1901. The National Debt of the Commonwealth is thus the heaviest per head in the world; but at the same time its savings per head, £11 odd, are the largest of any country. Further, when you realise, on the one hand, what a large proportion of the national borrowings has been spent on reproductive enterprises, and, on the other, how enormous is the annual production of the country itself, there can be no doubt as to the security.

My time is more than gone. I have tried to give you a simple picture of Australia as I saw it through the opportunities afforded by a Commercial Congress of representatives from many parts of the British Empire. We in the Old Country may well be proud of our junior partners in the great Australian Commonwealth. They have used their resources nobly; they have shown splendid courage in the development of their country. They are imbued with a noble ambition to continue that development to still higher standards. They want their land to be occupied in the main by men and women of the British race, and to give all a full opportunity for living in a condition of comfort, free from the cares of grinding poverty. To reach this end the Australian people are not afraid of experiments in legislation; but, as I look forward to her future, I feel confident that Australia, with its British traditions, will continue to grow in all that is best and glorious in the race to which we are proud to belong.

NEW ZEALAND

The Hon. William Pember Reeves

IN his very kind introductory remarks the Chairman suggested to you that I should touch upon a variety of matters concerning New Zealand. He used precisely the right expression, because that is all I shall be able to do with a long succession of subjects during the hour which is allotted to me. My great difficulty, whenever I speak about New Zealand, is to keep to my allotted time. I suffer from what might be termed over-saturation with New Zealand and its affairs. My life has been bound up in them; my heart is very much in them still; and whenever I get on my legs to talk to people in this country about New Zealand, I always feel that I could give twenty lectures instead of one. Luckily I have never had the chance, or before now I should doubtless have been assassinated by some exasperated audience.

Now to come at once to business. Seventy years ago a handful of enterprising but quite unauthorised pioneers—English emigrants—had landed upon our shores very much against the will of the Imperial Government, and to the unconcealed annoyance of the Colonial Office. The birth of the New Zealand infant was not at all welcome as an addition to Mrs. Britannia's already large family; and when the settlers had arrived they were in a position of anxiety, discomfort, and danger. They were confronted by

powerful and warlike savage tribes, who, had they chosen, could have driven them into the sea. They were almost under the ban of the Mother Country. They could get no titles to their lands, and they were spending their little capital, and must have bitterly regretted the day they left the Mother Country. To-day New Zealand is inhabited by slightly over a million white settlers. They are enjoying a state of very great prosperity; and, though they are not a great people, I should think that on the material side of things they are perhaps as happy a people as there is on the surface of the earth. They enjoy all the essentials of a civilised community; and as far as wealth goes, they have a distribution of material comfort and material possessions which leaves them enjoying an average condition such as no other community in the world can quite equal. In saying that, I am basing my conclusion upon figures and statistics, and am speaking to you as an economist as well as a patriotic New Zealander.

It is one of the curiosities of geography and politics that our islands, which are almost the antipodes of England, have much their closest connection and their most frequent intercourse with this archipelago, which is 12,000 miles from them, and almost precisely on the other side of the earth. New Zealand is divided from this country not only by oceans, which can be made highways, but by masses of land. Far nearer to New Zealand than England are the continents of Australia, Asia, Africa, and America. Yet New Zealand has almost nothing to do with South America, the great continent of the Southern Hemisphere; almost nothing to do with Africa; next to nothing with Asia, except that she imports tea from Ceylon, and tea and jute from India, and may sell

a few horses to India ; and even her intercourse with Australia falls into quite a second place as compared with her commerce and other intercourse with the Mother Country so far off here. You might have supposed, for instance, that the teeming population of South-East Asia, with different products from New Zealand, and requiring, you might have thought, so much that New Zealand can grow, would have been our mark. Or you might have thought that the great republic in North America, which lies half-way between England and New Zealand, so akin to us in race and democratic spirit, might have been our objective or our teacher. But no, nothing of the kind has taken place. The commercial intercourse between the United States and New Zealand, though it is substantial, is a small thing compared with the commercial intercourse with England. And that is not the most remarkable thing. The most remarkable thing is that, though America is so democratic, New Zealand has learnt almost nothing from her, and imitated almost nothing. If you would find two democratic communities differing as utterly as they can from one another, you might take the State of California and the Colony of New Zealand, though they both lie on the edge of the Pacific, say three weeks' steaming from each other—a journey which, if there were enough intercourse to make it worth while, could be reduced to a fortnight. New Zealand does not look to North America but to the Mother Country. And it is a triumph of transport, of the telegraph, and the steamship, that the intercourse between the two countries is so constant as it is, because it is from this Mother Country that New Zealand gets her literature, many of her journals, her ideas,—when she condescends to import ideas,—

greatly to her own benefit. It is from this country that New Zealand chiefly buys her manufactured goods, borrows her money. It is to this country that New Zealand sends far the greater part of her produce.

Close as is the interest that the Mother Country takes in New Zealand; lavishly as her capital has been used to develop the islands at the other end of the earth; and favourable as the conditions in New Zealand are for settlement by the British race; you might have expected that that settlement would have been more rapid, that instead of a population of two millions we should have been able to point to a much larger population than that. To explain why settlement has been gradual rather than rapid, and stable rather than surprising, I must come to a short description of the physical and scenic characteristics of our archipelago.

The islands of New Zealand do not resemble England to the extent that patriotic New Zealanders, speaking out of very real affection for the Mother Country, are wont to tell you. They are not at all like England. They are not utterly unlike Italy and Sicily, except that the toe of the boot, instead of pointing south, points north; our Sicily is at the cold end instead of the warm end; and in the middle of the long leg of the boot there comes a division, Cook's Strait, which cuts off north from south. Then again, there are no Alps surrounding the cold end of New Zealand. On the other hand we have Apennines, long mountain ranges which seam our island from end to end, much higher than those of Italy; and in the South Island there are genuine Alps, covered with eternal snow, and sending glaciers down almost to lake and sea. Not only do both islands show these dorsal ranges,

but ranges spread out one way and another in the northern part of the South Island, until it is a mass of hill and mountain. Then in the North Island you have volcanoes sending up cones 7000 to 9000 feet in height, and in the furthest north again you have ranges of lower mountains as high as 3000 feet. So you have a country not only cut in two places by the sea, but divided almost everywhere by ranges of mountains and hills. A New Zealander coming to the Mother Country is conscious of one startling difference as he lands on these shores : he looks out at the landscape, and to him it seems that the background has disappeared. When the English climate, healthful though not always exhilarating, relents sufficiently to let you have a distant view, you may see some pleasant rolling downs, or some green—not particularly frowning—range of hills. But in New Zealand almost everywhere for a great part of the year, the background will give a glimpse of some sharp and distinct range, lifting summits which may be sprinkled or thickly coated with white. The New Zealander's eye is accustomed to snow, and for that reason some unconscious Maori poet who came from the South Seas named New Zealand *Ao Tea Roa* (the Long White Cloud). Coming from the Tropics, it was the first time he had ever seen snow.

Ours is a small country, as you know ; about the size of Italy and Sicily ; not quite so big as Great Britain with Ireland. But it does not give you that impression. The mountains are so high, the lakes so large, the hills stand out so sharply, the river torrents are so vigorous, and the clear view you get enables you to see so far, that things seem to be on a great scale. The impression is that it is the remains of some great submerged continent—the relics of some wide land.

Some geologists hold this theory. But, whatever it may be, it is a broken, a divided, a romantic and a very beautiful country. It takes a very long time to get there; but I am sorry for the traveller who, when he does get there, does not think himself rewarded, because he cannot have much love for natural scenery of many and varied kinds.

I have dwelt upon this variety and this division which are the peculiarity of New Zealand, because they have been reflected in her settlement and social condition to-day. It is not a country of one centre. It never has been. You can give it an artificial political centre, but it has no one large commercial dominating centre. It is a country of provinces, each of which has its local patriotism; each its industrial and commercial organisation; each its educational centre; and each of which is exceedingly determined not to be left behind by any rival. One of the leading difficulties of New Zealand government and statesmanship has been to recognise the claims of the different provinces. There is no one definite social centre in New Zealand. I should imagine that had New Zealand been settled five hundred years before, you would have seen separate states growing up as jealous as Greek cities. They might have gone to war had there been no Mother Country to keep them at peace. As it is, for many years their political jealousies were a source of difficulty. They have got out of that stage now. The steamship, telegraph, and telephone have done their work, and New Zealand will never combine under a federation. New Zealand will become more centralised as time goes on. It still takes three or four days to get from one end to another. When I was a young man it took six or seven: and it is on record that, when we were first given the

privilege of self-government, the capital being in the State of Auckland, legislators representing the southern part of the Colony embarked in a Government brig, and the winds being contrary, spent six weeks on the way. Inasmuch as Parliament could not get on without them, it suffered from adjournments until they arrived.

A word or two about the climate of New Zealand. Australia is thirty times as large as New Zealand, but the population of Australia is only four and a half times as large as that of New Zealand. Let us compare the two in terms of sheep instead of men ! The great flocks of Australia are only four times as large as the flocks of New Zealand. Those figures enable you to see, not inaccurately, the relative productive powers and carrying powers of the two countries. Now the remarkable difference in proportion is not the result of exceptional fertility in New Zealand soil, because the areas of potentially fertile land in Australia are immense ; it is mainly a question of climate. What the Australian rainfall is, or is not, I will leave to my friend Sir George Reid to explain to those who ask him ; what the New Zealand rainfall is, is this. In the driest part of New Zealand as much rain falls as in London ; in the wettest part of New Zealand as much falls as in the wet English Lake District. There is nothing quite so deceptive as figures, and you must not suppose that because as much rain falls in Canterbury as in London it takes as long about it. The New Zealand rain is very business-like ; when it comes down it comes down ; it descends upon you like election literature. When it is done it leaves off, and the sun comes out. In that respect it differs very much from London. I once had the felicity of living in London when for twenty-two days there was no

rain ; but there was also not an hour of sunshine. In New Zealand, if that occurred, they would think the Day of Judgment was upon them. It is very sunny, and breezy. I do not mean to say the climate is ideal or perfect—there is no perfect climate in this world ; but on the whole it is as bright, as pleasant, and as exhilarating a climate as is to be found in his Majesty's dominions. Or rather it is a series of climates. If I were comparing the climates of New Zealand with those I have experienced in Europe, I would say that the climate at the north end resembles that of the north coast of Spain, while the climate down south is about that of Kent. Away from the coasts the climate in midsummer is hot and dry. In winter it is frosty with some snow, very cold at night, but on the whole dry too. But in the south-west, where there is no frost, there is scarcely such a thing as droughty weather from one end of the year to another. It is as wet there as it is in Cork and Kerry in Ireland, and seeing that the land there is a gradation from the precipitous to the perpendicular, you will understand that that corner of New Zealand is never likely to be settled by much population. It is not on that account without its attractions. It is probably in its way as beautiful a strip of land as is to be found on the surface of the globe. Cliffs stand straight up from the shore, green precipices guarding Alps. You bend your neck backwards as you stand on the deck of a steamer and look at these cliffs going up perpendicularly 5000 feet from sea-fords as grand as those of Norway, winding mile after mile into the interior. As grand as those of Norway but differing very much, because thickly clothed with green vegetation, not moss or dark fir trees merely, but the greenest and softest of luxuriant foliage, ferns,

shrubs, and forest trees of a hundred different varieties. The fiords of New Zealand have become the playground of thousands of tourists every year.

They are not by any means the only beautiful part of the country. There are fresh-water lakes as grand as those of Switzerland. There are mountain passes across the Alps as fine as any gorges in the world, and in the North Island there is the active volcanic district. There is the almost solitary cone of Egmont, forty miles round the base, and reaching a height of 8300 feet above the sea. New Zealanders fondly compare it with Fuji Yama in Japan. It is not equal to that, however. But Mount Egmont is one of the most symmetrical examples of a regular volcanic cone. In the interior there are more volcanoes; and there are the famous thermal lakes, where geysers and hot springs gush out of the ground in numbers. There are mud volcanoes, solfataras, fumaroles. There are chemical springs which are the resort now of thousands of afflicted people. The cures worked there in certain diseases are very remarkable indeed. At Rotorua there is a Government Sanatorium fitted up newly for the most scientific treatment. The great variety in climate is reflected in the products and occupations; and the change from oranges and olives and figs in the north to turnips and potatoes in the south, is about as complete as any other single country can show. I must tear myself away, however, from the scenery of New Zealand, for time is rapidly going on.

Now just a word or two about the political organisation of the country. New Zealand is a democracy—autonomous, with a vetoing power resting in the Imperial Government here. Its Parliament has two chambers, the Upper of which is neither hereditary

nor elected. Members used to be nominated for life, and are now nominated for seven years ; and inasmuch as the party in power now has been in power for twenty years, you can imagine that the Upper House now contains a majority of their supporters. It used to be decidedly assertive and obstructive. It does not obstruct now. Our "Lords" did some years ago pull themselves together and throw out a Referendum Bill. But I am under the impression that that Referendum Bill was not a Government Bill ; that the Government was not extremely anxious to see it become law ; and that the majority of the Lower House which let it go through supported its rejection with Christian resignation.

Every adult in New Zealand, brown as well as white, has a vote—every man and every woman ; and they take advantage of that. If the same proportion of adults went to the poll in this country as in New Zealand, you would have to poll about 18,000,000 votes during this General Election. So it cannot be said that a General Election in New Zealand does not indicate the trend of public opinion. Votes for women is one of our well-known experiments, and of course has been the subject of much praise and criticism, both very much exaggerated. The women do vote there in large numbers, not quite in such large numbers as men. As far as I can see, speaking perfectly candidly, women's suffrage has done no harm whatever there ; but, on the other hand, it has not done a great deal in any direction. The women have an influence there in public life ; but that influence is mainly exerted, not in parliamentary matters, but in Local Option Polls, under which every three years there is a reference to the electors as to what shall be done with the Liquor Trade. There the

women not only vote in large numbers, but have encouraged the cause of prohibition and temperance. For the rest I need say no more than that the elections are very cheap things in New Zealand. You can often become a member of Parliament for £50, or you may give a constituency the opportunity of rejecting you for, say, £20. One of the most blessed things about the elections is that they almost all take place on the same day.

Now, though New Zealand is a democracy, and a country which has made very remarkable experiments during the last twenty years, you must not suppose that New Zealand is dominated by a Labour Party. New Zealand possesses no Labour Party in Parliament, nor is Labour the most powerful influence in New Zealand. The most influential class in New Zealand are the farmers. Though it is perfectly true that one party has been in office in New Zealand for twenty years, and that this is a democratic party, and that in its youth it was very democratic indeed, a long term of office and a period of prosperity, both industrial and political, have had their effect upon the Liberal party of New Zealand. It is a very different party to-day from what it was in 1891. Without going into details, I should say that if you could imagine an English statesman who was a somewhat democratized and not too intellectual edition of Lord Milner, he would find himself very closely allied to and in sympathy with the policy of the New Zealand Liberal Government of 1910.

Now for a word on what this Government has done, or, rather, what its party in the past has done, and the effect thereof upon the progress of the country and its standing outside. I must admit at once that it has piled up a very big debt. The Public Debt is

£76,000,000 ; and, in addition to that, you have to take into consideration some £13,000,000 owed by local bodies. This seems an enormous sum for the population. But that debt has been entirely spent in developing the country. Save in the case of two or three millions, it is not a war debt. As a deliberate policy the Government of the country has undertaken the development of the Colony in directions which in other countries are left to private companies and firms. It may or may not be a wise thing that the Government should own all the railways, all the telegraphs and telephones, be a great landlord and a great money-lender, be a great insurance company, a partner in the chief bank, a trustee of estates, and in many other ways should have entered the field of private enterprise. But the money that has been spent upon these things has not, of course, to be put in the same category as money spent in costly wars. You have got something to show for it, something definite and material. You have got a great deal to show for the New Zealand Debt. Personally I sincerely wish that my country had not borrowed so fast. But there is no reason for alarm, and if anybody should suffer any inconvenience from it, it won't be the people who have lent the money ; it will be the tax-payers, who may in times of depression occasionally wish that the debt charge was not quite so high.

The population, as I have told you already—perhaps more than once—the white population is about a million, and there is a coloured population of about 50,000. This is not diminishing, and it is probably very slightly increasing, but the white population is leaving it behind rapidly. The coloured people, the Maori, are no longer savages ; they are civilised, intelligent, courteous, educated, and in every

way worthy to continue to be an element in the community of New Zealand. Indeed, let me say this, that the extent to which the Maori take advantage of the education which is freely given to them, is more than usually creditable. White parents must send their children to school, they have no choice in the matter, but the Maori may or may not. Yet the result is that the statistics show that the attendance of Maori and half-caste children at school would be respectable even in Scotland. Put that to the credit of the Maori race in New Zealand.

The rate of increase in population in New Zealand is not due to any lack of fertility in race or unhealthiness in climate; it is largely due to the broken and divided and difficult character of the country, most of which can carry industry and humanity on far the greater part of it, but which is a stubborn country, only to be broken in and settled in by persistent labour. It is a country where transport is difficult, where the making of railways and roads has been expensive.

Our rainfall is our mainstay; but in a narrow broken country like ours a heavy rainfall means that you meet water,—a rushing mountain torrent, a broad river or a troublesome creek,—every few miles; it means ravines and gorges which tax the skill of the engineer; it means that the making of railways is difficult, costly, also slow. But we have a railway from Auckland to Wellington as well as long railways along the coast, and various other lines. In all we have 2700 miles of rail. That has taken us some time. The making of railways was begun forty years ago, and the big trunk line was only completed sixteen months ago.

You are told not infrequently in English papers

that the population of New Zealand is increasing very slowly, and that this is due to a phenomenally low birth-rate. Both these assertions taken simply are untrue. The population of New Zealand has doubled since 1883, and latterly increase has been fairly rapid. When I left New Zealand, on the 1st January 1896, the white population was 700,000. In the fifteen years that have elapsed it has reached just over a million. Now to get that in fifteen years—to get that increase of 300,000—is decidedly a relatively rapid increase. Again you must remember that you have got to deal with a population there that will not have the standard of comfort lowered. The standard of comfort for the workers is very high in New Zealand; and they are not going to have the country deluged with paupers or Asiatics, or people who, though not without merit, will lower the standard of education, efficiency, and intelligence in the country. On the other hand, it is not true that the birth-rate is falling off. It did fall off very rapidly from 1880, when it was very high, to 1893, when it was very low—from a little over 41 to 25 per 1000. Then the fall slackened, and since 1899 it has painfully climbed up two points, and is now about 27.25. All that time the death-rate has been stationary, and it is lower than in any other country in the world. The average death-rate is about 9.7 per 1000 to a birth-rate of about 27.25 per 1000, so that there is a higher margin in favour of life as compared with almost any other country.

Now for the occupations, the production and trade of this population. The backbone of New Zealand is of course farming. But the average New Zealand farmer is not a grain-grower, he is a grazier. Grass, not cereals, is the mainstay of the Colony. The

farmer's ambition is not only to have grass, but to have what he calls "English grass," because the capacity of the grasses of this country is such that they will carry in proportion nine times as many sheep to the acre as will native grass. On this English grass the New Zealand mutton, that so many of you have heard of, and so many of you have eaten without knowing it, is grown. It is noteworthy that our small islands can carry 23,500,000 sheep, and can export between 5,000,000 and 6,000,000 carcasses of sheep and lambs, and yet keep enough for home use. The flocks of New Zealand increase slowly, but you must remember that on a total flock of 23,500,000 you have to stand a drain of 7,000,000 to 8,000,000 for export and local consumption. The New Zealand farmer, then, is usually a grazier, he owns sheep or cattle, and if he owns cattle he is usually a dairy farmer, not merely a grower of beef. The butter industry of New Zealand,—the growth of the last twenty-five years,—has had much to do with the settlement of yeomen on moderate-sized farms. This has helped us as much as anything. New Zealand sends to this country over £2,000,000 worth yearly of choice butter, and some elsewhere, and grows all she can consume herself.

Land tenure there is very different from what it is represented to be. The land is not nationalised, and I do not think it is ever likely to be, either in our time or that of our immediate children. Out of the 66,000,000 acres which make up New Zealand, 38,000,000 acres are made use of by white men; the rest is in the occupation of native tribes, or is wild broken country. Out of that 38,000,000 acres about half is in freehold, and independent of the Government altogether; the remainder is leased out by the Government for either

long or short periods. The great pastoral tenants generally hold their land for short periods subject to revision. The comparatively small Government tenants, the small dairy or sheep farmers, generally hold their land on long leases on very easy terms. In Parliament there is a perpetual battle going on between the section which wants to go on selling Government land, and those who don't want to sell Government land but lease it. The people have not yet decided. The Government have to deal with great estates which have been foolishly allowed to be built up in the Colony, and it is buying up these estates and leasing them out, or else putting a heavy land tax, or making one more heavy still, with the idea of bursting up these great estates. People who criticise the land taxes proposed by Mr. Lloyd George, and who think these land taxes are heavy, had better study the New Zealand land tax, and then they will know what taxes can be. I should say that the New Zealand tax, as remodelled and brought into force this year, must be equivalent, in the case of very large estates, to an income tax ranging from 4s. to 6s. in the £1. It is only right to say that in this country the landowner pays income tax, whereas in New Zealand the landowner pays no income tax. A small proprietor in New Zealand pays no land tax—that is, a man who has less than £500 worth of land. The tax is paid on land value, and not on improvements or live stock. Something like £6,000,000 has been spent by the Government in buying back land from private owners, which is now leased to small State tenants. And, in addition to that, the Government has lent out millions of money to farmers, at moderate rates of interest, in order to help them to develop their property. Rates of interest used to be extremely high,

but the Government now lends out money at rates which strike the New Zealander as low.

Wool is just 33 per cent. of the Colony's exports. The chief of these are wool, meat, cheese, butter, gold; and two curious monopolies of ours, New Zealand hemp and kauri gum. New Zealand is a considerable mining country. It has produced from first to last about £80,000,000 of gold, and it turns out about £2,000,000 of gold now a year. The output of coal is 2,000,000 tons yearly, a figure which you English might laugh at, but which is sufficient for local requirements. The Colony is becoming a manufacturing country in a modest way. I suppose there are about 60,000 people employed in factories and workshops, and the gross output is about £23,500,000 sterling, according to the figures of the last census. That showed a very rapid increase, for it had doubled in ten years. But a more striking thing is the proportion that foreign trade bears to the population. The foreign trade this year must be over £39,000,000 sterling—an extraordinary figure for a population of 1,000,000. Two-thirds of it is with England, Australia occupying a very second place indeed, with the United States coming third; India together with Ceylon possibly fourth; Germany fifth. American trade would of course probably be very large if it were not for the barrier of the tariff wall of America, which has turned us back from that direction; that extraordinary American tariff wall which has probably had more to do with the consolidation of the British Empire than most historians have yet had time to admit.

Before I sit down I have just to name certain of the interesting social experiments. There is of course the Liquor Law I told you of, under which every

three years the question of the shutting-up or reduction in the number of public-houses is submitted to the adult population of each locality. In seventeen years the number of licensed houses has been reduced from 1715 to 1350, although in that time there has also been a very large increase in population. On the whole the general effects of that are good.

Then, of course, there are those remarkable labour laws which have been the subject of so much criticism and discussion among students. There is the Factory Act, which keeps children under the age of fourteen years out of factories, which ensures short hours, and which has led to the factories being in a very excellent state of sanitation. It limits the amount of overtime, and ensures that overtime shall be properly paid for. Then there is the Shop Hours Act, which ensures comfortable and healthy conditions for shop assistants, and which limits the number of hours per week to fifty-four, and gives a half-holiday in every week of the year. Then there is the Workmen's Compensation Act, which is Mr. Chamberlain's Act somewhat expanded, and which provides a very cheap and easy method of settling disputed claims. And there is a Servants' Registry Act, which puts servants' registry offices under the Department of Labour.

But far the most interesting and much the most closely criticised Act of all has been the Industrial Conciliation and Arbitration Act, commonly known by its inaccurate name of Compulsory Arbitration Act. Under this Act disputes between Capital and Labour are submitted to State tribunals. That has been copied in Australia, and a certain part of it has been adopted in Canada. It has not been imitated in this country, because the Trade Boards Act is an imitation not of the New Zealand Act but of a

Victorian law. But the New Zealand Act is one under which not merely questions of wages, hours of employment, and of juvenile labour are submitted, as is the case under the Victorian Wages Boards Act, but an Act under which almost every dispute which could possibly arise between employers and Trade Unions, which are, as you know, many and varied, may be submitted to State arbitrators, if one side or the other applies to have that done. There are two sets of tribunals. First of all, the dispute is taken by the Trade Union to a Trade Board—a Conciliation Board—consisting of people connected with the trade in which the dispute has arisen. It generally consists of two on each side with an impartial Chairman—a permanent official paid by the Government. Each Board is newly set up simply for the purpose of a dispute, and ceases to exist when that dispute has been dealt with. The Chairman goes on from Board to Board. This Board passes a recommendation after it has heard both sides, and it has the power to force both sides to give evidence. If it makes a recommendation, this recommendation must be obeyed by all parties, unless one side or the other appeals to a higher tribunal. Supposing that appeal to a higher tribunal be made, they then find themselves confronted with a judge—a permanent judge, highly paid and perfectly independent, and only removable by the vote of both Houses of Parliament. Sitting with him you have two assessors—one nominated by the Employers' Unions, and the other by the Trade Unions of the country. To these three the case has to go; they having the fullest powers of the hearing of evidence, and compelling the production of documents. When they give their decision it is as binding as a decision of an ordinary Court of Justice. A union of workers

in order to come under this Act has to register. When once it has registered it is subject to the Arbitration Law, and must obey the decision of the Arbitration Court. If it prefers to cling to the strike and lock-out system, it does not register. All employers are subject to the Act, and it is only the unregistered Trade Unions which do not come under the Act. Moreover, masters and unions may make their own arrangements and register an agreement in the Arbitration Court. It then becomes a registered agreement and must be obeyed, and a good deal of the settlement of disputes between employers and workmen takes place in this way.

Now to what extent has that Act been adopted, and has it been successful, and is it obeyed? Nearly all industries are under the Arbitration Act, and there are only two noteworthy exceptions. One is the ordinary farm hands—they have never been brought in, the law has not encouraged it; and the other exception are the employees on the railways. They have not come under the Arbitration Act, but railway men have the right to if they wish. The seamen and wharf labourers are all registered under the Act, but not ordinary farm hands. Therefore nearly all the industries of New Zealand are now carried on under conditions laid down by awards of the Arbitration Court. These have not hampered industries unduly, and factories have not been shut up. Do they give satisfaction? If they had not given general content in a reasonable measure, the Act would have been abolished long ago. There is no large party in favour of abolishing the Act. A certain number of individuals would like to see the Act abolished, but no serious attempt has been yet made or suggested to abolish the Act. Speaking generally,

the Act has been a great success, far greater than those responsible for passing it anticipated.

Just one question more: is the Act obeyed? Of course there are many minor attempts to evade it—not a year passes without prosecutions; but these are generally of some employer. Do the men obey? Yes, almost always. In the vast majority of cases the men have accepted the decisions, sometimes with open grumbling, but they have obeyed them. For twelve years after the Act there were no strikes. In the next eighteen months there were three strikes, but since then there have been no strikes. There was some difficulty at first about the Government enforcing penalties where the strikers' unions had no funds. The Government amended the Act to get fines by means of attacking wages. The strikers then had to pay heavily, and the power of the Government to punish them was amply vindicated.

The Act is in almost universal application, and is being peaceably obeyed. Will it always be obeyed? I cannot tell you. But except in one important industry I do not think there is much doubt. That exception is the coal-miners. They say that they accept arbitration, but whether they won't sooner or later make an attempt to fight the Act I do not feel at all certain. That, so far as I can tell you, is the position of the experiment.

For the rest, my time is long since over. I can only apologise for keeping you so long. I have tried just to sketch the outlines of my country. In conclusion, I say what I said at the outset: though not a great country, it is an exceedingly happy and fortunate land, and while New Zealanders have their faults, on the whole they deserve their luck.

SOUTH AFRICA

I. *Sir Walter Hely-Hutchinson*

SOUTH AFRICA is so easy of access nowadays—it only takes seventeen days, as against perhaps sixty or seventy when Britain first took possession of the Cape, to get there—that one is tempted to say, “If you really want to know about South Africa, and to understand the place and the people, had you not better go there?” It is a very easy journey—sailing, for the most part, over summer seas—and for fifteen or twenty pounds you can get there now far more comfortably than you could for forty or fifty pounds fifty or sixty years ago. For the second-class (and in some cases the third-class) accommodation, in the great steamers of to-day, is scarcely less comfortable than the first-class accommodation of the old days; you get to the end of the voyage in less than half the time, and, owing to the size of the ships, and the modern appliances with which they are provided, with a fraction of the discomfort and hardship which were characteristic of the voyages of former years.

But *non cuivis homini contingit adire Corinthum*; and I suppose I cannot hope to be let off to-night without giving you some account of the country which has loomed so large during these latter years, and especially ten years ago, in the thoughts of the nation. And first let us consider, what took us

there? Why was it that the nation assumed, a little more than a hundred years ago, the responsibility of taking possession of and holding the little Dutch settlement at the southern extremity of South Africa, six thousand miles away? Why was it that having abandoned it, we returned there a few years later; took possession of it again; and established ourselves there for good and all, paying six millions of money for the privilege? How is it that British dominion has since steadily expanded northwards until it now extends for two thousand miles into the heart of the African continent, and embraces an extent of some 1,200,000 square miles? Lust of conquest and desire of expansion? That is the baseless accusation which is commonly levelled against us. Self-preservation, defence of national interests which were or might be threatened—these are the fundamental motives of our presence in South Africa, the primary causes of the remarkable expansion of British dominion in that country. The well-grounded fear that some other first-class power might obtain possession of the Cape, and cut our communication with India—that is what took us there in the first instance, and led to our return after the short-lived peace of 1803. The necessity of defending the settlers, Dutch and English, against the inroads of the aboriginal tribes, and of making certain that British influence alone should prevail throughout the sub-continent, and that no other power should gain the right of interference there in our affairs—there, indeed, are the root-causes which made it impossible for any Government, however desirous of limiting the responsibilities of empire, to overcome, or permanently to resist, the natural effects of the restless enterprise, missionary, commercial, and industrial, of

our own people in these far-off lands. For in the history of British South Africa the Government has never taken the lead in the matter of expansion, and has often been its strong opponent. Witness the first withdrawal from the Cape in 1803; the refusal to take possession of Natal in 1834; the recall of Sir Benjamin D'Urban in 1835 for pushing the boundary of the Cape Colony to the Kei River; the abandonment of the Orange River Sovereignty in 1854; the recall of Sir George Grey for his persistent advocacy of a scheme of South African federation, and his reinstatement on the condition that he ceased to advocate that policy; the retrocession of the Transvaal in 1881; the refusal to annex what is now German South-West Africa in 1867, 1877, and 1883; the refusal to purchase Delagoa Bay. And as to the great Rhodesian expansion, that, as is well known, was due to the initiative, genius, imagination, and enterprise of one man whose name is commemorated in the title of the province. In no sense did the British Government take the lead in the matter. Why, even in 1620, thirty-two years before the Dutch took possession of the Cape, the English captains, Andrew Shilling and Humphrey Fitz-Herbert, solemnly took possession of it in the name of King James the First; but their proclamation was stillborn, and the advice which they gave to the British Government to keep the Cape was rejected. I hint no blame, I venture no criticism, I suggest no praise. I merely wish to drive home the fact, that so far as the nation, working through its duly constituted representatives in the Government, is concerned, it is not open to the charge in this matter of lust of conquest or even of desire of expansion. As to the war of ten years ago, which cost the

nation two hundred and fifty millions of money and 20,000 lives, and brought so much suffering and misery in its train, I will only say this,—that in my belief it was the inevitable outcome of the march of events in South Africa, and of the clash of irreconcilable ideals which for so many years had tended to tear South Africa asunder. Differences of opinion there may be, perhaps always will be, on this point; but I am not by any means alone in my opinion; and having lived in the country for seventeen years, I have had some means of forming a correct one. Friends of mine, lovers of peace, warned me, long before the war, that they felt that things never would come right till the quarrel had been fought out; and I remember Thomas Theron, the President of the Afrikaner Bond, saying, in his place in Parliament, when union was coming into sight, that he had always believed, and repeatedly said, that South Africa would never arrive at union save by the road through the vale of blood and tears. But however that may be, it is all now, happily, past and gone. The two great white races in South Africa are like boys who have fought out their wild quarrel and are better friends in consequence. Those who actually fought, and fought to the end, have shown the most readiness, on both sides, to accept the situation, which is different from that which either side desiderated. Union has become a fact; and the first Prime Minister of the Union, than whom the King has no more loyal subject, is the man who was the chief leader of those who so bravely contended against us during three years and more of strenuous fighting—against a superiority of force which might well have daunted the most intrepid spirit. “We have had no end of a lesson—it has done us no end of good;” and I

may say in passing that one lesson we might have derived from the war is the inestimable value, as a measure of defence of hearth and home, of universal training in the use of the rifle. The eyes and thoughts of South Africa are now turned to the future rather than to the past: to a future full of hope, though not without its difficulties. Our eyes, and our thoughts, should be turned in the same direction.

The British dominions in South Africa, south of the Congo State, extend to some 1,200,000 square miles of country. The whole width of the sub-continent, south of the Orange River, is British; north of the Orange River, German South-West Africa, and north of that, Portuguese territory bound the British territory on the west; and north of the Usutu River Poort, Portuguese East Africa bounds the British territory on the east. Cape Colony extends northwards to the Umtamvuma and Umzimkulu rivers on the east, and to the Orange River on the west, and beyond the Orange River, between German South-West Africa on the west and the Orange Free State and the Transvaal on the east, 800 miles to Mafeking, on the border of the Bechuanaland Protectorate. It has an area of 277,000 square miles, and a population of about 2,500,000, of whom about 580,000 are white. Natal, which includes Zululand, extends northwards along the sea on the east, from Cape Colony, to the Usutu River: bounded on the north by Portuguese East Africa, and on the west by Basutoland, the Orange River Colony, and the Transvaal. It extends to about 37,000 square miles, and has a population of about 1,200,000, of whom about 93,000 are white. The Orange River State, which lies inland, north of the Orange River, bounded on south and west by the Cape Colony, on the east by

Basutoland and Natal, and on the north by the Transvaal, has an area of about 50,000 square miles, and a population of about 388,000, of whom about 143,000 are white. The Transvaal,—bounded on the south by the Orange Free State, from which it is separated by the Vaal River ; on the west by the Cape Colony and the Bechuanaland Protectorate ; on the east by Natal, Swaziland, and Portuguese East Africa ; and on the north by Southern Rhodesia,—extends to about 111,000 square miles, and has a population of about 1,300,000, of whom about 300,000 are white. Southern Rhodesia, which extends northward across the Limpopo from the Transvaal,—bounded on the east by Portuguese East Africa, on the north by the Zambesi and the other two Rhodesias, and on the west by the Bechuanaland Protectorate,—has an area of about 149,000 square miles, and a population of about 677,000, of whom some 14,000 are white. Then, south of the Zambesi, there are the Bechuanaland Protectorate, with an area of about 275,000 square miles, and a population of about 130,000, of whom about 1000 are white ; Basutoland, with an area of about 10,000 square miles, and a population of about 264,000, containing about 700 white people ; and Swaziland, with an area of about 6600 square miles, and a population of about 85,000, of whom about 900 are white. North of the Zambesi, there are, besides the Nyassaland Protectorate, with a population of some 950,000, North-western and North-eastern Rhodesia, with areas, respectively, of 182,000 and 109,000 square miles, and a population, between them, of about 1,000,000, of whom about 900 are white.

The South African Union, as at present constituted, consists of the Cape Colony, the Orange Free State, the Transvaal, and Natal. Its total area is some

475,000 square miles, and its total population about 5,400,000, of whom a little more than 1,100,000 are white. Provision has been made, in the Union Act, for the admission of the three Rhodesias and of the native territories, under conditions. In the meanwhile, the Rhodesias are governed by the Chartered Company, under the High Commissioner, and the native territories by the High Commissioner, through Resident Commissioners responsible to him. The Union is governed by responsible ministers, under a Governor-General, who also holds the office of High Commissioner. Each province of the Union has its Provincial Council, and an Administrator; but the Provincial Councils are really subordinate bodies. The Union Parliament is, in effect, supreme. The underlying principle of the Union is unification, not federation; and therein it differs materially from the Canadian union, and still more from the Australian federation. No doctrine of State rights, outside the four corners of the Union Act, can arise. Certain powers are delegated, by the Union Act, to the Provincial Councils, and power is reserved to the Union Legislature to delegate others; but most of the provisions of the Union Act can be altered by a majority, and any of them by a two-thirds majority, of the Legislature, with the assent of the Crown. Except in the Cape Colony, in which there are some 20,000 black and coloured voters, the franchise,—the qualification for which in the Cape Colony is high, and in the other Colonies low,—is restricted to persons of European descent. No person, not being of European descent, is qualified to sit in the Union Legislature. There are ten ministers in charge of the various departments of Government; forty members of the Senate—eight nominated by the Governor-General on the advice of

his ministers, and eight elected by each Provincial Council on the principle of proportional representation with the single transferable vote ; and 121 members of the Assembly elected by single member districts. The duration of the House of Assembly is limited to five years. The senators hold their seats for ten years, subject to dissolution, which, however, cannot take place, so far as the Senate is concerned, until 1920. The seat of the Legislature is at Cape Town ; the headquarters of the Administration at Pretoria ; and the headquarters of the Supreme Court at Bloemfontein. There is a sketch of the Union ship of State. She was launched two months ago. Let us wish her a happy deliverance from the difficulties and dangers she will have to encounter. A white population of less than 1,200,000,—about twice the population of Birmingham,—has been entrusted with the duty of administering, under the Sovereign, the government of a country four times as large as the United Kingdom, with a trade of £80,000,000, a budget of £15,000,000, a debt of more than £110,000,000, a system of Government railways extending to more than 7000 miles ; and the Union Government is to rule and look after the interests of more than 4,000,000 black and coloured people who (except in the Cape Colony) are not represented in the Assembly. The problem, you see, is sufficiently difficult to please the most exacting examiner. And it is one which the South Africans will have to solve for themselves. They would indeed strongly resent any advice or interference, however well meant, from outside, in their local affairs. I do not, therefore, propose to enter into any disquisition on possible developments of South African politics. Let me rather talk to you a little about the country and the people. And first, as to the climate.

The first thing that strikes a Britisher about the climate, in South Africa, is the sun. It is a land of sunshine. A sunless day is almost unknown, even at the height of the rainy season. As to the rainy season, it is called so because at that season there is rain, and at other seasons there isn't—not because (except very occasionally) it is, according to our ideas, particularly rainy. One peculiarity of the rainy season is, that in the extreme south,—until you get 100 miles or so north of Cape Town,—the rainy season is the winter; whereas north of East London it is the summer. If a man does not mind the sun, he can do without an umbrella in South Africa. All he has to do is to live in Natal in the winter and in Cape Town in the summer. There are, of course, exceptions; a little rain does sometimes fall out of season; but on these rare occasions, a macintosh should be sufficient. As to the rainfall, it is very unevenly distributed. I have known more than 80 inches in a year on the top of Table Mountain, and less than 30 at the Royal Observatory, 3 miles away. Table Mountain, owing to its height, is of course an exception. Along the coast the rainfall in ordinary years is about 30 inches; 100 miles up country, at Worcester, it may be 10; further up, in the karoo, 8, 7, 5, or even less. We have a saying in England that one ought to lay by for a rainy day. In South Africa the farmer learns by bitter experience that what he has to lay by for is a dry day. The main cause of the differences in rainfall is, that a range of mountains, starting in the Western Province, runs eastward and northward along the coast under various names, and at times in various almost parallel branches, away north to the Zambesi, at distances varying from 10

to 150 miles from the coast. South-easterly winds, which blow in summer, carry vapour-laden air from the Indian Ocean ; the ranges of mountains condense the vapour ; and then the rain falls. By the time the air has crossed the mountains, it is deprived of most of its moisture, and the land beyond the mountains therefore suffers from deficient rainfall. It is only when a south-easterly wind blows for three days or more that the south-easterly rain reaches well into the karoo. Otherwise, the inland stretches of country only get such rain as may result from thunderstorms, which in summer are not infrequent, and, as you go northwards, are extraordinarily violent. Not a few lives are lost by lightning every year ; and hailstorms are a cause of much damage. To be out in a South African hailstorm in a waggon with ten spirited mules is an experience which is more exciting than agreeable. The hailstones are as large as pigeons' eggs, and often larger ; and I have personal experience of the fact that if one hits you fairly on the head when your hat is off, it will raise, even on an Irishman's head, a bump that will remind him of the adventure for a week or more.

Geologists tell you that South Africa probably once extended much further to the southward and eastward than it does at present ; and that by some convulsion, or series of convulsions, of nature, the south-eastern and eastern side was crumpled up into its present position—the result being the parallel chains of hills and mountains already referred to, which run from south-west to east, north-east, and north in the neighbourhood of the coast. If you will look at the map, you will understand what I mean. Beginning near Cape Town, as the Drakenstein mountains and the mountains of Hottentot's

Holland, the ranges run eastward and northward, bending ever northward,—the Zwartberg and Outeniqua ranges running side by side,—and so along the coast at varying distances till the range becomes the Drakensberg (which separates Basutoland, and further north the Free State, from Cape Colony and Natal), and so ever northward under varying names till we come to the Inyanga plateau in Rhodesia, whence the land dips to the Zambesi valley. Most of the larger rivers which fall into the Indian Ocean cut directly across these ranges ; and in the gateways in the mountains,—the “poorts,” as they are called,—through which the rivers pass, the contorted strata show what gigantic forces must have been at work to produce the present conformation of the country. The result is, that South Africa is, so to say, built up in a series of terraces. Speaking generally, there are three main levels—the coast belt, from sea-level to about 500 feet ; the lower karoo, about 1500 feet, divided from the coast belt by a range of hills ; and the upper karoo, which merges gradually into the high veld—the karoo from 2500 to 3500 feet, the high veld gradually rising from 3500 to 5000, or, at Johannesburg, nearly 6000 feet above the sea. The upper karoo and the high veld form the great table-land—the bulk, indeed, of British South Africa.

This is necessarily a very short and inadequate description, but it must serve our purpose to-night. I want you to get a general idea of the configuration of the country. Three steps, divided by ranges of mountains—the beds of the main eastward-flowing rivers running across, or rather through the ranges, instead of along them. A glorious sun ; a dry climate, even on the coast, where the rainfall is heaviest ; a brilliant atmosphere of extraordinary clearness ; the

air pure and exhilarating, especially on the great tableland. Now let us look a little more closely.

Nothing in this world is more beautiful than the view of Table Mountain and its surroundings, as the ship glides into the smooth water of Table Bay. The great wall of the Mountain, rising, sheer, 3500 feet, in front. On the right the Lion, crouched, as it were, beside it—the head reared aloft, a watchful guardian of the city, which nestles between it and the Devil's Peak; the Lion's Head towering up 2500, the Peak 3000 feet, above the sea. Trees diversify the landscape; the bare slopes of the hills, in winter, are clothed in brilliant green; in summer, drenched in golden brown, relieved by the evergreen of the pines; the great wall of Table Mountain, bathed in purple mist, glitters in the sunlight, and strips of fleecy cloud cling to its sharp-edged cornice, softening the outline, and adding to the beautiful prospect an element of romance and mystery. Round the edge of the great bay a ribbon of silver sand, softly yet firmly restraining the blue waters of the sea; and, 30 miles away, across the grey-green Flats, the Simonsberg, beacon of Stellenbosch, and the rugged line of the Drakensberg and Hottentot's Holland, shimmer in the sunlit haze.

This, the Cape Peninsula, the gate of South Africa, is the most beautiful thing in the whole country; and it is unique. There is nothing just like it elsewhere in South Africa. The picturesque old homesteads, dating back two hundred years and more, embosomed in groves of oak or southern pine; the views from the Mountain, never twice alike in light and shade and colour, but always beautiful exceedingly; beautiful Groote Schuur, Rhodes' princely gift to the people; the well-kept roads, winding under long avenues of

ancient trees, or creeping, sicklewise, along the seaward edge of the Mountain in many a tortuous curve, the slopes brilliant with wild flowers ; and below, the sea, blue as the Mediterranean, thundering on the rocky shore. And towering above all, the Mountain, the whole of its great height defined in one sheer frowning precipice, the joy of the skilled rock-climber, or elsewhere offering access, to less adventurous explorers, by many a rocky rift and gloomy gorge.

This is the land of fruit and grain, of grapes and wine, plums, apricots, pears and peaches—great breadths of oats, and wide stretches of wheat. The fruit industry flourishes ; the wine industry has passed through trying times ; the grain industry does fairly well. The farmers (and this is the case throughout South Africa) are all, or almost all, freeholders. "Farmer" in South Africa connotes "yeoman" or "squire," not leaseholder. Each of them, in this part of the Western Province, may be said to sit in fact, as well as in theory, under his own vine and fig tree, and their lines have indeed been cast in pleasant places. Small wonder that it has become a proverb, that a man born and bred under the shadow of Table Mountain is never really happy away from it, and is always anxious to return.

Nothing can be more beautiful than the Cape Peninsula ; but there are other parts of South Africa which, to many, are not less attractive in their way. Natal, for instance—a slice of South Africa, covering about 37,000 square miles of country, in width, on an average, about 100 miles, in length about 370 miles, lying along the eastern coast, the country rising step by step, shelf by shelf, from the Indian Ocean to the crest of the Drakensberg ; varying in elevation,

within its breadth of about 100 miles, from sea-level to about 5000 feet—that is Natal in the rough. Except along the coast and in some of the river gorges and mountain glens, indigenous trees are rare. Here and there are groups or plantations,—sometimes large plantations,—of wattle and eucalyptus, but apart from these, it is, on the higher levels, a country of rolling, grassy downs, rising tier above tier; lower down, rounded grassy hills with occasional clumps of bush, interspersed with low-lying tracts sprinkled with thorn bushes; and along the coast, broad grassy plains and wooded hills and glens, the plains often dotted with large trees, singly or in clumps, after the manner of a beautiful English park. It is a region of summer rains; and in normal seasons, in the summer, rain is sufficient and plentiful. The whole face of the country is then drenched in green. It is well watered. The rivers, cutting their steep road to the coast, find their way down high waterfalls, through deep gulches and canyons, skirting many a beetling cliff as they pass from one terrace to another. There is, in consequence, great diversity of scenery, varying in character from mountainous ruggedness to prospects of peaceful pastoral beauty; but beautiful scenery, of one kind or another, wherever you go. “Fair Natal” those who have made their homes there love to call it, and it cannot be denied that the name is well deserved.

Sugar, tea, wattle bark, wool, maize, potatoes, millet, dairy products, are produced in quantity; cattle, sheep, horses, pigs, and poultry are bred; fruit of all kinds, from apples and strawberries to pineapples and avocado pears, can be and is grown; and a commencement has been made with tobacco and cotton. The great variation in altitude, and conse-

quently of climate and mean temperature, within a compass relatively so narrow, permits of corresponding variation in the matter of agriculture and horticulture, and Natal fairly deserves its name of the Garden Colony.

And what of the great interior tableland? Snowdon, the highest point in Wales, is about 3500 feet; Ben Nevis, the highest point in the United Kingdom, 4400. The great South African plateau, which extends from the Zambesi to within 100 miles of Cape Town,—a distance, as the crow flies, of some 1300 miles,—ranges from about 3000 to nearly 6000 feet above the sea. In the karoo, the land looks, to the uninitiated, like a desert. Scarcely a blade of grass is to be seen—only squat bushes, dotted about on the arid-looking soil. And yet this is the place of all others in South Africa where stock, especially sheep, do well and thrive. In good seasons the increase in the flocks and herds is marvellous. The air is like champagne, the atmosphere fresh and clear, the colouring magnificent. Occasionally, after heavy rainfall, if the fall comes at the right time, the whole karoo bursts into flower—one magnificent carpet of crimson, purple, orange, and white. And wherever water can be found (which may generally be done by boring, and sometimes by damming intermittent streams) and led out upon the land, the richness of the soil, which, owing to the dry climate, has retained all its original constituents, makes itself evident. Gradually, as you go northward, the karoo changes, first into “broken veld”—grassy, with karoo bushes interspersed; then into grass veld, the typical high veld of South Africa, brilliantly green after rain, parched, in dry times, to a golden brown; eccentrically shaped kopjes, and table-topped hills, so charac-

teristic of South Africa, dotted here and there ; never a tree, except, sometimes, perhaps, near one of the widely scattered farmhouses ; giving you the sensation, almost, of being out at sea. Men born and bred in these surroundings have told me that much as they appreciate, for a time, a visit to the coast ; much as they admire the diversified scenery of the Cape Peninsula, and enjoy the shade of the trees, and the verdure of the lawns ; after a time they begin, inevitably, to long for the open treeless plateau, and for the sense of freedom from restraint which it confers. And indeed the open veld,—the “illimitable veld,” to use the expression coined by the greatest of your fellow-citizens,—has a beauty and attraction of its own which appeals not only to the born and bred son of the soil, but to the veriest stranger coming within the circle of its influence. The loneliness and silence ; the tender beauty of the early morning—“rosy-fingered dawn” tingeing the edges of the kopjes, “rimming the rock-row” with crimson, purple, and gold ; the keen, pure air ; the gradual brightening of the distant horizon, seen from the open door of the tent : the almost sudden advent of the sun himself, rising straight up into the heavens, rejoicing, as it were, to run his course, bringing health and strength and brightness in his train : or, after a long day’s ride in heat and dust, when the sun dips towards the west, flooding the distant eastern peaks with tints of rose, amethyst, and opal ; the grass in the foreground, on the descending slope, orange and russet in the fading sunlight ; and across the shallow valley, the white tents, nestling in the purple shadow of the little clump of trees beside the farm which is your goal ; and, as you reach the tents, the sudden dip of the sun behind the western edge, the fading glory

of the sunset, the deepening blueness of the sky, and the stars pricking out, one by one, to keep their watch throughout the coming night : these are scenes not easily forgotten—these are experiences which will rest in the memory even of the casual traveller whose fortune it has been to dwell, even for a short time, in such surroundings.

Further north, beyond the open veld, you come to the region of tree-clad downs,—of open forest, so to say,—which, still on the high plateau, extends northwards from near Mafeking to the open country round Buluwayo. Miles and miles of scattered trees and bush, with grass growing in between ; the railway running through it for 500 miles—one long straight stretch after another with slight bends in between—one stretch, to the uninstructed eye, so like another as to be indistinguishable. The railway runs close to the western border of the Transvaal, along the eastern edge of the Bechuanaland Protectorate ; and except for a settlement near Lobatsi, and at one or two other places along the route, and at Francistown, in what is known as the Tati Concession, the land is mostly a native reservation until you enter Rhodesia proper. At Buluwayo you are on the backbone of the country running east and west, between the watersheds of the Zambesi and the Limpopo ; and the flattened ridge extends across the country 300 miles and more to Salisbury, whence the ground begins to dip towards Umtali, close to the Portuguese border, and thence to Beira and the sea. And although this ridge is well within the tropics, it is healthy, and Europeans can live and thrive ; whereas in Portuguese territory on the coast, in the same latitude, the normal conditions of tropical life prevail. Close to Buluwayo are the Matoppo,

where Rhodes lies buried in the topmost curve of a great dome of rock, whereon lie gigantic granite boulders, twenty and more feet high, guardians, as it were, of the solitary grave—left there, one may imagine, by some race of giants who, when the frequent thunderstorms rage along the ranges, may yet be heard hurling their great playthings amongst the broken pinnacles which crown the rock-strewn ridges in that romantic region. And let us go still 200 miles beyond Buluwayo—a journey which, within my own recollection of South Africa, could only be taken with moderate safety at times of year when there was water in the pools, and cost many a valuable life—200 miles by rail to the Victoria Falls, and, standing, where Livingstone once stood, on the islet which now bears his name, in the midst of the foaming waters, look down 300 feet into the great chasm, see the mist and spray rising up in a row of pillars of cloud, hear the perpetual roar of the great cataract, meditate on the past, and try, perchance, to form some forecast of what the future may bring to us in South Africa. The Victoria Falls have been described, photographed, sketched, praised, even *ad nauseam*; but no description that I have seen over-praises them; no amount of photographing or sketching seems able to make the real thing seem commonplace. It is the one “wonder of the world” which conveys to the visitor no sense of disappointment.

Beyond the Falls the railway runs yet another 300 miles or more into the Congo territory to the copper mines in the Katanga district—with great hopes of an enormous output of copper as soon as the line is finished. No doubt Mr. Birchenough, who is to lecture here this day fortnight, will have something to tell you about that.

I said that the terraces in South Africa were divided from each other by ranges of hills or mountains. You will have understood from this, that the height of the mountain above the terrace is much less on the side of the upper terraces than of the lower ; and there are not a few places in which on the upper side there is no mountain at all, the edge of the terrace being at the crest. It results from this that there are many physical features in South Africa which, from one direction, looking like mountains, are really mountains with only one side. When Sir Redvers Buller stood facing the range extending from Spion Kop to Colenso and Pieters Hill, looking across the Tugela from Chieveley, he saw before him what looked like a range of blue mountains guarding the approach to Ladysmith. The ground was broken and steep, and according to ordinary probabilities it should have been equally broken and steep on the other side of the range. But the fact was that between Ladysmith and the range it was a country of wide smooth plains, beautiful galloping ground, rising in gentle undulations to the very crest of the lower hills, access to which was easy to the defenders from almost any direction on their side. The same thing may be said of the ground beyond Ladysmith ; the ranges of the Drakensberg and Biggarsberg enclose the wide valley, steep passes leading to the crests of the ranges ; but once the crest is gained, there is little or no descent on the other side ; we have merely climbed on to a higher shelf of the country. Here on the crest of Van Reenen's Pass is said to be the point from which the Boers first looked out over Natal : when Pieter Retief and Gerrit Maritz hoped and believed they had at last found the Promised Land. These outlooks from the terrace-edges in South Africa are beautiful

indeed. Here is a description of one in the north of the Transvaal. "An endless park"—in the words of my friend Mr. John Buchan, than whom I know no better word-painter—"an endless park, laid out as if by a landscape gardener, with broad dales set with coppices, and little wood-covered hills. . . . Here was a true park, like Chatsworth or Windsor, so perfectly laid out that one could scarcely believe that it was not a work of man. . . . For an exception the mountain-tops were free from mist, the land lay bathed in the cool morning light, and the scent of a thousand aromatic herbs,—wormwood, southernwood, a glorified bog-myrtle, musk, and peppermint,—rose from the wayside. Bracken was as plentiful as on a Scots moor, and the old familiar fragrance was like a breath of the sea. We breakfasted in a water-meadow, where a spring of cold water stole away through a forest of tree-ferns, arums, giant orchises, and the tall blue agapanthus. As we smoked our morning pipes and watched a white eagle and a brace of berghaans circling in the blue, I vowed that here, at last, had been found the true Hesperides. . . . Hereabouts, when my ship comes home, I shall have my country house. There is a piece of flat land, perhaps six acres square, from which a long glen runs down to the Letaba. There I shall have my dwelling. In front there will be a park to put England to shame—miles of rolling green dotted with shapely woods; and in the centre a broad glade in which a salmon river flows in shallows and falls among tree-ferns, arums, and bracken. There may be a lake, but I am undecided. In front I shall have a flower-garden, where every temperate and tropical blossom will appear; and in a sheltered hollow, an orchard of deciduous trees, and an orange plantation. Highland

cattle, imported at incredible expense, will roam on the hillsides. My back windows will look down 4000 feet on the tropics; my front on the long meadow vista with the Iron Crown Mountain for the sun to set behind. My house will be long and low, with broad wings, built of good stone and whitewashed, with a thatched roof and green shutters, so that it will resemble a *prazo* such as some Portuguese seigneur might have dwelt in in old times. Within it will be cool and fresh, with stone floors and big fireplaces, for the mists are chill and the winds can blow sharply on the mountains. There will be good pictures and books, and quantities of horns and skins. I shall grow my own supplies, and make my own wine and tobacco. Rides will be cut in the woods, and when my friends come to stay we shall drive bushbuck and pig, and stalk tiger-cats in the forest. There will be wildfowl on my lake, and Loch Leven trout in my waters. And whoever cares to sail 6000 miles, and travel 1500 by train, and drive 50 over a rough road, will find at the end of his journey such a palace as Kubla Khan never dreamed of."

So much, then, for the place. I might yet lead you far afield, through the bushveld, across the north-west of the Cape Colony, through regions of two or three inches of rain a year, parched and barren to all appearance, yet capable of being made, by conservation of water, to yield no small contribution to the grain output of the country. We might wander together along the coasts of the Cape Colony and Natal; penetrate the Knysna Forest, where still the remnant of the great herds of elephant roams at will; climb the mountains in Basutoland or wander in the Kalahari; but time is getting short, and you have had enough of

descriptions of scenery. Let us turn to the question of what the country produces.

The total exports of South African produce for 1909 were valued at about £50,500,000; of which gold accounted for in round numbers £33,000,000, diamonds £6,000,000, wool nearly £4,000,000, ostrich feathers £2,000,000, hides £1,100,000. Of the remainder, grain and other articles of food and drink accounted for £921,000, angora hair for £862,000, coal for £815,000, and copper for £531,000. The rest, about half a million, was contributed by wattle-bark, ores other than copper, animals, asbestos, forage, buchu, aloes, tobacco, and miscellaneous articles, in the order named. To sum up then, mineral products came to about £41,000,000, feathers to £2,000,000, pastoral products to £6,000,000, agricultural products to about a million, and there were about a million of miscellaneous products. I do not propose to discuss mineral products to-night. Mr. Birchenough, I believe, intends to discuss them with you this day fortnight. As to ostrich feathers, it is not too much to say that some of the ostrich farmers in the Cape Colony are amongst the wealthiest farmers in the world. I do not say that if a man were to begin ostrich farming now,—buying the land and breeding birds,—he would make a fortune. But those who have been in the business for a long time, and have managed things properly, have very little to complain of. An acre of irrigated lucerne will carry two ostriches: each ostrich will give a crop of feathers once in eight months—three crops in two years. A single plucking of a really good bird may fetch £20 or more; at the lowest, it should clear at least £5. A case is within my knowledge of a syndicate of three brothers, Dutchmen, who started about twenty or

twenty-five years ago with about a thousand pounds apiece. Last time I was at Oudtshoorn and went over their farm, about four years ago, they owned, between them, besides cattle, horses, and sheep, about 4500 ostriches. Their gross income, from the ostriches alone, must have been at least £30,000 a year. I know nothing about the details of their business—whether they had much interest to pay on mortgages or borrowed money, and so forth; but £30,000 a year will pay interest at 6 per cent. on £500,000; and it is not to be supposed that they had borrowed anything like that sum to buy, lay out, and stock their farms. Success in ostrich farming depends, good management apart, on the possession of high-class birds. You *can* buy an ostrich for a sovereign, but it will not be worth anything at all. As much as £1000 has been paid for a pair of first-class breeding birds, and with good reason. Some five or six years ago I was paying a visit to a friend of mine, a farmer, who is the fortunate possessor of one of the best-known pedigree ostriches in South Africa. I was introduced to “Jack,” then a very fine-looking cock ostrich, of some thirty or more years of age, apparently in the prime of health and vigour, as might be judged by the pink patches on his shins. His owner had told me that he had kept a careful account, since the ostrich had come into his possession, of all he had received for the sale of the bird’s feathers and his produce. The total, at that date (the bird is, I believe, still alive and well, and earning money), amounted to over £10,000. “Prime whites,” the best white feathers from the best cock birds, fetch more than their weight in gold. At a sale at Port Elizabeth, last year, a parcel of prime whites fetched £80 per lb. Low-class feathers are almost a drug in the

market. In the nine months ending 30th September last, the export of ostrich feathers was 546,000 lbs., valued at £1,754,000, or an average of £3, 4s. per lb. You may deduce from this, seeing that the better feathers fetched anything from £10 to £80 per lb., that the low-class feathers fetched very little indeed. To succeed in ostrich farming you must have good birds, a farm in a good situation, preferably in the lower karoo, with lands laid out in lucerne, and a sufficient supply of water to irrigate the lucerne. For your breeding birds you will have to pay from £500 upwards a pair; for your ostrich chicks, if you buy them, from £10 upwards to £40 each, at eight weeks old; for full-grown ostriches, far more. For land laid down in lucerne, with a sufficient supply of water, perhaps as much as £100 an acre. By the time you have got started, you will have embarked a large amount of capital; and you will require to do very well indeed to earn interest for your money. And there is always the risk that feathers may go out of fashion, or that the supply may outrun the demand. Meanwhile, my ostrich-farming friends in South Africa are doing very nicely, and I hope they may long continue to do so. Apart from its risks, ostrich farming has notable drawbacks, from the point of view of the community. For one thing, it tempts the farmer to be careless in the matter of outrunning the constable. You can always sell the feathers, for a price, before they are plucked; and much of the poverty in the rich Oudtshoorn Valley, and elsewhere in South Africa where ostriches are farmed, is due to farmers having succumbed to the temptations of the feather-dealers. There are, indeed, cases in which not only the half-grown feathers on the backs of the birds have been sold in advance, but also the feathers

which are to grow when those feathers have been plucked. Another drawback is that the amount of labour required on an ostrich farm is much less than that required on an irrigated farm of similar area which is devoted to other cultivation, such as viticulture, tobacco growing, or even the fattening of stock from produce grown on the land. A case is within my knowledge in which an ostrich farmer bought at a very high price a farm on which vines were cultivated, which supported, besides the owner and his family, twenty or more families of white working people. Within six months the farm was laid down in lucerne, the farmer and the families of labourers had disappeared, and the whole population of the farm was one white manager and his family, and a couple of natives. The old farmer migrated to another district, where he bought a farm and began ordinary agriculture and cattle rearing, with the aid of his old labourers who followed him. Within five years he died bankrupt: the farm has been sold, and the labourers and their families—what of them? Where are the snows of yester-year? Most of them, I fear, drifted into the ranks of the “poor whites.” It is a sad story.

The principal pastoral products are wool and hides. Sheep farming is an attractive pursuit, and in good years a paying one—the increase in the flocks being something miraculous when feed is plentiful. “The dry day,” however, to which I referred at the beginning of this lecture, may cause heavy losses, and if the farmer has to pay interest on loans, may involve him in ruin. If scab could be eradicated, as might be done, and will be done some day, when the farmers have become convinced all over the country, as they are in some of the districts, of the value of dipping,

the farming community would profit largely thereby. As it is, even the best South African wool fetches a little less, in the London market, than wool of equal quality from places like Australia, where scab has been eradicated. In the nine months ending 30th September 1910, some 74,000,000 lbs. of wool, valued at £2,300,000, or, say, at a little under 7½d. per lb. on the average, was exported from South Africa. If scab had been eradicated from South Africa, the wool would probably have been worth, on an average, between ½d. and 1d. per lb. more—say from £150,000 to £300,000—a sum that would have been very useful to the South African sheep farmers. We must hope for the best in this matter. Meanwhile great advances have been made in the matter of sorting and grading wool for export; and day by day there is improvement. Merino sheep do best in certain parts of the karoo, and on the high grass-veld. In other parts, a cross, generally with the Oxford Down, is advisable. Here, as with ostriches, it is the best class of stock that pays best. Grass-fed wool commands a price slightly higher than karoo-fed wool, which is always a little stained by the red dust of the karoo. Angora hair is another important export, derived from angora goats, whose forbears were, I believe, imported from Asia Minor. They are very beautiful and attractive animals, but want great care and close supervision, especially when the kids are making their appearance; for the kids are delicate, and have to be kraaled for the first few days; and, oddly enough, their mothers have to be taught to know them. I recollect on one of my journeys arriving at a farmhouse, close to which I was to camp, on a Saturday afternoon, and going in to tea with the farmer and his family. They had had rather a hard week's work—"but, thank good-

ness, to-morrow is Sunday, and we shall be able to rest." There was a flock of angora goats close to the farm—beautifully bred animals in the pink of condition, of which the farmer was very proud. Next morning, soon after daybreak, I heard much bleating, and looked out of my tent. There were the angora goats, scattered about the veld, busily occupied in adding to their families, and the farmer and his sons running about with little pots of black, blue, green, and red paint, marking the goats and their kids (each goat had to bear a mark different from the others but the same as her kid), and one of the sons carrying the marked kids, two, three, and four at a time, loudly protesting, to the kraal. This went on for some hours; and towards evening there occurred the interesting ceremony of driving the mothers to the kraal and introducing each to its own offspring. I was told that it is not till the third or fourth day that they recognise their offspring without an introduction! The poor farmer and his family did not get much of a Sunday rest that time.

Agricultural produce, you will have noticed, brings up the rear in the matter of exports. But the export list does not afford a fair criterion of the agricultural products of South Africa, because the bulk of most of them is consumed in the country. The principal export in this category is maize, the export of which has increased by more than 100,000,000 lbs. in weight and by more than £170,000 in value during the nine months ending 30th September 1910 as compared with the same period in 1909. The total export in 1909 was 307,000,000 lbs., valued at £665,000. This is a new export,—none whatever was exported from South Africa until four or five years ago,—and it is a very encouraging symptom. Large quantities are grown

in Rhodesia, the Transvaal, Natal, the Orange Free State, and in the northern parts of Cape Colony, and large quantities are consumed, especially by the natives, in the country as well. Oats are grown in large quantities, and there is a considerable export (in 1909, 17,000,000 lbs., valued at £83,000). Large quantities of oats are used for making oat-hay for horse-feed; threshed oats are not much used in South Africa except for feeding race-horses, and for making oatmeal. Large quantities of grain are imported. South Africa should be able to produce enough grain for her own wants; but hitherto, a duty on wheat of 1s. 2d. per 100 lbs. notwithstanding, she has been unable to do so. I am glad to see, however, that the importations of corn and grain have diminished in value during the last four years by more than £300,000, and that of butter by £340,000, and that the total importation of articles of food and drink has diminished by £2,400,000, whilst the export of certain articles of food has increased by 65 per cent. The import of butter in 1909 was 4,500,000 lbs., valued at £219,000. With proper management and organisation South Africa should be able to produce every pound of butter that she needs. One farmer that I know, who has a well-organised creamery, and business-like arrangements for distributing its produce, turns out about 8000 lbs. of butter and large quantities of pasteurised milk each week, and makes a good thing of it. That is the leading undertaking of the kind in South Africa; but there are other creameries, some successful, others not. In time, good management will prevail, and South Africa will supply itself with the butter and cheese it needs. One reason of the present short fall no doubt is, that lucerne lands well adapted to dairy cattle pay better when used for ostrich

farming, and the farmer naturally farms what pays him best. Apart from dairying, many farmers do well in breeding and grazing cattle, and sending them to market, especially in Bechuanaland and the Free State and in East Griqualand. Fruit is grown, especially in the Cape Peninsula and its neighbourhood, in yearly increasing quantities. The plums, apricots, pears, and peaches ripen in time to command the top of the market in England, in the winter,—their only competitor at that time of year being fruit from the Argentine,—and a well-managed fruit farm should, and does, reward its owner for his industry. Viticulture has been passing through bad times lately, but great efforts have been and are being made to improve the quality of the wine. There is no climate more favourable to the growth of the grape than that of the Western Province, no soil better adapted to its cultivation. Table grapes are produced of the highest quality and command a ready sale: it is the method of wine manufacture which leaves something to be desired. Until the early 'sixties, there was quite a respectable export (according to my recollection, about 900,000 gallons a year) of wine to the London market; but the alterations made in the British customs duties at the time of the French Treaty killed that trade; and the wine-manufacturing industry, no longer having to cater for the English market, seems to have lost its stimulus to excellence, and the quality of the wine, until recently, seriously deteriorated. This was all very well so long as there was a market amongst the natives for the products of the vineyards; but of late years stringent legislation has checked, has indeed in many places almost stopped, the sale of liquor to the natives,—much to their benefit,—and the wine and brandy manufacturers

are being forced, by the stress of circumstances, to adopt better methods and to produce a better article, in order to obtain a market for their wares. Sugar and tea are grown in Natal, under the protection of duties of 3s. 6d. per 100 lbs. (less than $\frac{1}{2}$ d. per lb.) on sugar and 4d. per lb. on tea. Both, under these circumstances, are paying undertakings, although the sugar-cane takes twenty-four months to mature, as against twelve in the West Indies, and the tea-plant "flushes" less frequently, and for a shorter period, than in Ceylon. Both are worked by indentured Asiatic labour, and it may be doubtful whether either, especially the sugar, can be worked without it. The average wholesale price of sugar in the Durban market is about £16 a ton—say a fraction less than 2d. per lb. As to tea, before tea was planted in Natal, the price of the cheapest tea in the Durban market was about 2s. per lb. A duty of 6d. per lb., imposed originally for revenue purposes, rendered it possible to start the tea industry with some prospect of success. Soon after Natal tea came into the market, the price of the cheapest tea went down to 6d. per lb., and has been there ever since; the better classes of tea now sell at 1s. 2d., 1s. 4d., up to about 2s.; the duty has been reduced, of late, to 4d. per lb. Without the duties both the tea and the sugar industries would be ruined. Both of these industries require large capital for factories, and circulate a great deal of money; but planters who have no share in the factories can and do devote themselves solely to cultivation, and send the tea-leaves or sugar-cane, as the case may be, to the factories at agreed prices. The tobacco industry is a growing one, and promises great success: tobacco of excellent quality is produced, both for pipe-smoking and for cigarettes, and there is a considerable manu-

facture of cigars. There are many minor industries connected with the land, some of which, such as cotton-growing, which is making progress in Rhodesia, may, and I trust will, become major industries in time. The only other industry of importance connected with the land is the wattle-bark industry—the growing of a special kind of acacia and the stripping and preparation of its bark for tanning purposes. This is an industry which started from small beginnings in Natal about twenty-five years ago, and has now reached large proportions: bark to the value of nearly £200,000 having been exported in 1909. The story goes that some twenty or twenty-five years ago an English farmer who owned a grazing farm in the Umvoti district in Natal began ploughing it up to put in wattle-trees. His neighbours remonstrated, saying that he was ruining the farm. His reply was that the farm had nearly ruined him, and that he considered that his turn had come. Be that as it may, he put in about 2000 acres of wattle-trees, and in the end made a very good income from them. He was one of the pioneers of the industry; now it is widely spread, the export of wattle-bark from Natal having reached 36,000 tons last year. Given light soil, an equable climate free from hard frosts, a moderate rainfall, occasional heavy mists in the dry season, the immediate proximity of a railway with a siding at the works, so that the bark and wood can be loaded direct on to the trucks, and a well-arranged and well-managed plantation of sufficient size to justify the erection of adequate machinery for preparing the bark for shipment, wattle-growing is a “payable proposition.” Natal presents many such opportunities, especially in the Umvoti county and in the neighbourhood of Pietermaritzburg. I will not describe

the methods of procedure ; suffice it to say that under favourable circumstances the sale of the wood ought to pay all the expenses of the establishment, and the bark, whatever it fetches, should represent clear profit. In one case within my knowledge a plantation of about 2000 acres paid the syndicate which planted and organised it something like cent. per cent., in its tenth year, on a capital of £10,000. Capital is needed here, too, as there are risks, especially from fire, and it will always be some years before the plantation yields a return.

There is, by the way, another means of making money out of a farm in South Africa. I do not recommend it ; indeed I should like to see an end put to it by legislation. But as it is not uncommon in Natal, and is not unknown in other parts of British South Africa, I suppose I had better tell you about it. It is called "Kaffir farming." "Kaffir farming" consists in allowing natives to settle and build their huts on the farm, grazing a few cattle, and tilling, generally in a very primitive way, a patch of ground, paying for each hut built an annual fee of from £2 to £5 to the owner of the farm. The native has a moderately easy time, the farm remains for the most part a desert, and the farmer does nothing but collect his fees. I recollect a typical case—a farm of some 4000 acres on one of the largest rivers in Natal. Across the river was a bar of igneous rock about 30 feet high, forming a dam which banked up the river in a deep still reach of five or six miles in length, as wide as the Thames at Henley. Over the bar the water poured in volumes. It was suggested to the owner that at relatively small cost a water furrow could be led from the bar along the contours of the valley below, and that by means of the furrow 1500 or 2000 acres of good land which

was then lying waste could be made, by irrigation, to bear large crops, which, with the railway running as it did through the farm, could not fail to be extremely profitable. His answer was to this effect: "The Kaffirs like to live on this farm. I charge them £5 apiece; that brings me in £700 a year. Why should I follow the plough?" "Farming" after this fashion may be profitable, but it does not conduce to the development of the country's resources.

And now, about the people in British South Africa: some 1,130,000 Europeans, of which perhaps about half are of Dutch, and a little less than half of British descent; and more than 5,000,000 black and coloured people. The fundamental fact about this South African community is, that there is no white working class, properly so called—no large body of independent, self-reliant white men and women who depend on themselves for everything, and do everything for themselves. There are a certain number of highly-paid white artisans employed in the mines, in the building trades, and so forth, and skilled white workers of various kinds employed on the railway or elsewhere; but in the presence of the black and coloured working class these men are in effect an aristocracy of labour. Many are employed as overseers of other men's work,—most of them aim at that class of employment,—but if "white man's work" fails, they are debarred, by the presence of the native labourer, from temporarily supporting themselves by labour which has come to be considered as being within the sphere of the coloured labourer. Many of them, under such distressing circumstances, leave the country; those who are unable or unwilling to do so have often to undergo great hardship and suffering. It is the presence of the natives and coloured people,

—the environment that they produce,—that causes the difficulty. Paradoxical as it may seem, there is a great deal of truth in the saying that the very existence of the native races (the great, and at first sight apparently inexhaustible, source from which the labour supply of South Africa is drawn) is itself one of the causes of the difficulties about labour from which South Africa periodically suffers. There are thousands of white men who would be willing to do the work which is now done by the natives if none of it were done by natives. As it is, that kind of work is called “Kaffir’s work,” and white men cannot be got to do it, except sometimes, of late, under the pressure of starvation, and then, of course, not in association with natives or coloured men.

I cannot pursue this subject further without talking South African politics, which I promised you not to do. I will only say that this great “native question,” as it is called, is the greatest, the most important, and the most difficult of all the problems which confronts the Union Government.

As to the white population, we shall, I hope, hear less and less in the future of the differences between British and Dutch. They have got to live together; they have made up their minds to live together. Each race, one may hope, will influence the other for good, looking to each other’s good qualities rather than criticising each other’s failings. Intermarriage daily brings them closer together; and the day will surely come when they will be welded, under the influence of mutual and common environment, and under the stress of responsibility for the good government, progress, and prosperity of the country, into one homogeneous whole. Remember that it is not a question, as in Canada, of one province inhabited

by one nationality and others by the other. It is not a question of two nationalities divided by fundamental differences of religion. Dutchmen and Britishers are distributed,—Dutchmen amongst Britishers or Britishers amongst Dutchmen,—all over the country. In some districts, as in the Western Province of the Cape Colony, in the Orange Free State, and in the country districts of the Transvaal, Dutchmen are in the majority; in Rhodesia, in Natal, in the Eastern Province of the Cape Colony, Britishers are in the majority. But wherever there are Dutch there are also British; wherever British there are also Dutch. Even oil and vinegar will mix, if combined drop by drop in an emulsion: there is no such fundamental antagonism between the characteristics of the two races; and in the course of years we, or our children, shall certainly witness the evolution of a homogeneous South African nation, fitted at all points to bear its share in the burden of Empire. The probability is that in districts in which the British are in a small minority, the eventual type will be rather Dutch than British; in districts in which the Dutch are in a small minority that it will be rather British than Dutch; but in the course of years these two types will amalgamate, and we shall arrive, in the end, at a type embodying the best characteristics of the two great races. The Dutch have great powers of assimilation. There are many men and women, in the Dutch districts, bearing English, Scotch, and Irish names, who in language and thought have become purely Dutch. I recollect that four or five years ago, I was riding through the Oudtshoorn Valley, where I met large numbers of the farmers, many of whom were introduced to me by the Field Cornet, who was acting as my guide and interpreter. One man was introduced

as "Mr. Kyle." "Kyle," I said; "that's not a Dutch name. How do you spell it?" Mr. "Kyle" couldn't speak English, so the interpreter asked my question. He replied, "C-a-h-i-l-l." "Why," I said, "that's Cahill; that's an Irish name." "Yes," he said, through the interpreter; "my father was an Irishman, a soldier, who settled down here, and married a Dutch girl." Not one word of English could he speak!! I remember also being told that one of our columns when wandering through the Orange Free State during the war, came across an armed and mounted Boer, a man of sixty or more, making his way across the veld. The man was immediately rounded up and brought before the officer in command of the column, and a dialogue ensued something to this effect: "Who are you?" A rich Irish brogue replied, "I'm a burgher av this Republic, sorr." "What's your name?" "Me name, sorr, is Van der Spyk." "But that's a Dutch name, and you speak like an Irishman." "An' so I am an Irishman, sorr. I came to this counthry forty years ago, an' the people were very kind to me, an' I married a Dutch lady, sorr. An' I thought I'd betther take a Dutch name. An' my name, sorr, is O'Neill (O'Nayle). I found the Dutch for 'Nail' is 'Spyk,' so I called meself Van der Spyk."

But if the Dutch have strong characteristics, so have the British; and in the end, the strongest and best characteristics will prevail. The descendants of the settlers of 1820 have spread from the Albany district all over the country, and are to be met with, substantial and successful farmers, or highly-placed and respected officials, far and wide. Their names, and those of the descendants of the later immigrations, will become household words in South Africa not less

than the names of the descendants of the Huguenots, or of the early Dutch settlers, or of the descendants of the French and German settlers of later days.

And now a few words, before I close, on the subject of the opportunities which South Africa affords, for those who may think of making homes for themselves in that far-distant land. South of the Zambesi (excluding the native territories) British territory extends to some 600,000 square miles, with something less than 1,200,000 white people, and about 5,000,000 black and coloured people. This gives a white population of about two to the square mile; or, if we deduct the portion of the white population resident in the towns, a little more than one to the square mile in the country districts. The total population is about eleven to the square mile. Room and to spare, one would say, at the first blush, for intending immigrants, in almost unlimited numbers. But you have to take into consideration what has been said about the presence of the black and coloured races, and the effect which their presence produces. No man (not being a domestic servant) who is not a skilled artisan, and looks to earning his living by working with his hands,—no unskilled worker devoid of capital,—can hope, as things are at present, to earn a living there. At present, too, the brain-labour market—to coin a phrase—is overstocked; there is keen competition in the learned professions, and employment in commercial pursuits is hard to find. On the other hand, it is a fact that South Africa is one of the few places where a farmer can make a fortune. I know of several instances; I also know of many instances in which farmers have lost all they possess; but that has usually been their own fault.

Generally, the rich farmer is a man who has suc-

ceeded to a valuable unencumbered farm, and has by his own hard work and progressive methods done justice to its capacities. But I know of several successful farmers who began with nothing but a waggon and a team of oxen, a few sheep or so, and an unimproved farm, and have been able to build themselves comfortable houses, improve their farms, educate their children, and start them in life; owe no man anything, and live in comfort, well within their incomes. Holdings vary in size, from ten or fifteen or more thousands of acres on the tableland, down to four or five hundred acres of vine, fruit, and grain land in the Western Province, or to as little as a few tens of acres of irrigated lucerne in the Oudtshoorn Valley. Many of the farmers have a hard struggle. Few of them but have had great difficulties to encounter during their life on the farm. Many have had to buy their experience, and some of them have bought it too dear, and have failed. On the whole, it is a hard life, especially for the wives. Families, as a rule, are large; native servants are difficult to get, and often not good when got; and the wife generally has at least to superintend the cooking and house-work as well as to look after the children. The doctor is often twenty miles off, or more; posts are few and far between; the nearest neighbour may be four or more miles away. Visitations of drought, locusts, and so forth, are on a continental scale. In the northern parts, hailstorms cause great and sudden damage. Stock diseases, depredations by wild animals, and sometimes by stock-thieves, check the wonderful increase of the flocks and herds. The life, you see, has its drawbacks; but it is a fine school for the development of self-reliance, courage, and patience; and it is not too much to say that the yeoman farmers

of South Africa, whether British or Dutch, possess, and will continue to possess, as a class, the sterling and manly qualities which are the best foundation of the character of a nation.

Experience in farming in the United Kingdom would be of value; but, except in rare cases, only when that experience has been corrected by practical experience of farming in South Africa, and, if possible, of farming in the particular district in which the immigrant intends to live. There are agricultural colleges, such as that at Elsenburg, near Cape Town, and at Cedara, near Maritzburg, and there is the Premier Farm, near Umtali, in Rhodesia, where training and experience can be got; and there is an excellent institution called the Mushroom Valley Association, which gives to selected applicants who desire to settle in South Africa a year's training, with board and lodging, free of charge, in South Africa, and a second year's training at a moderate cost, and then helps them to find, and advises them as to the purchase of, a suitable farm. Should there be any amongst my audience who have thoughts of settling on the land in South Africa, they cannot do better than apply to the South African Settlers' Emigration Society, at 55 Empire House, 175 Piccadilly, London, where full information can be obtained on the points to which I have drawn your attention.

Speaking generally, in order to commence farming in South Africa, some capital is necessary. The days of land grants are past, and farms can only be had by purchase, though, in the case of unimproved farms in remote districts, on easy terms. I believe that the Rhodesian authorities require applicants for farms to possess, or to have command of, at least £500. A young man with small capital and no experience

might do worse (I have known it done) than enlist for a few years in the Mounted Police; putting his money into the bank to accumulate at compound interest, and utilising his term of service by making himself thoroughly acquainted with the part of the country in which he is employed, with the methods of farming, and the capabilities of the farms, so as to be able to make a good selection, and to be able to start with fair prospects of success when the time comes.

As to the particular kind of farming which the immigrant should adopt, there is a wide field of choice. Wheat, oats, barley, rye, maize, dairying, viticulture, tobacco-growing, fruit-growing, stock-farming, sheep-rearing, angora-breeding, ostrich-farming, horse-breeding, mule-breeding, pig-breeding, goat-breeding—the world is all before him, where to choose. Farms vary in size from 30 acres or so in the Oudtshoorn Valley to 15,000, 20,000, or more acres in the karoo or in the north-west. And the choice of climate is equally wide. If he likes a hard winter and snow, let him farm in the hills round Barkly East. If he likes warmth and summer rains, let him farm somewhere on the coast in the Eastern Province or in Natal. If he prefers dry weather in summer and rain in winter, let him farm somewhere near Cape Town. If he likes dry air and cold nights in the winter, let him farm on the tableland. If he has a weak heart, let him farm near the coast; if he has a strong heart and weak lungs, let him farm on the high veld. Few countries afford such choice of climate, few such variety of resources; few countries will more adequately reward the skill and diligence of the competent farmer, who knows or learns how to adapt himself and his methods to its special characteristics.

I leave Mr. Birchenough to tell you about the openings there may be in such professions as engineering and surveying, in commercial pursuits, or for skilled workmen and artisans. I will only say here, that if a man who has not enough money to keep himself for a considerable time whilst in search of employment goes out to South Africa on the chance of employment, he incurs grave risk of at least undergoing great hardship, and probably (unless he is endowed with a specially strong character and a sound constitution) of failure. Young men without capital, and without assurance of employment beforehand, who go to South Africa to seek their fortunes, must be prepared to turn their hands to anything. If they are really ready to do so, and to face hardship and privation, and, through it all, to lead steady lives, experience of the past shows that they may succeed, in the end. I do know of a case in which a man who was a skilled and competent accountant had to support himself, first, by enlisting in the police, then by driving an engine at a mine, until, at last, his chance came, and he seized it; and he has risen to a good position in the public service. I know another case of a man who was a trained architect, and has risen to a good position in his profession, who was driven, when he first arrived, to selling soft goods across a counter at a starvation wage. And I know another case of a man of great ability who was obliged, for want of something better to do, to become a clerk in a grocery store, but studied law, was admitted as an advocate, rose to the head of his profession, became Attorney-General and then Prime Minister of the Colony, and was sworn of the Privy Council, before he died; and his statue, commemorating his public services, adorns the town which

was the scene of his early struggles. I could tell you of other cases of the kind. But these are the cases of which one hears. For one success there may be fifty failures ; and failure, in South Africa, means, too often, tragedy. One does not hear of them except, perhaps, from time to time, some tragic story in a corner of the newspaper, of a man found dead on the pavement—dead of drink or of starvation ; or some sad history of vain struggles with fate, culminating in suicide. For South Africa is no Tom Tiddler's ground, where gold may be picked up in the streets. It is a land in which great fortunes have been, and may yet be, made ; but fortunes are for the few. A man with education, character, and capacity, should, with a start, and with hard and steady work, make an adequate living. That is all that the average man can expect. If he expects more, he is likely to be doomed to disappointment.

One other piece of advice I venture to offer, and that is, that if any of you decide to go to South Africa as emigrants, and not as visitors, you should go with the desire and intention of making your home there. If you go there merely with the intention of making enough money to enable you to return after a term of years to England, and to live here on the proceeds of your work, you are almost certain to be disappointed, and your life in South Africa is not likely to be happy. But if you decide, from the first, to cast in your lot with the country, and to make it your home, not only will you feel better able to deal with whatever difficulties you may have to encounter,—if only that you will know that there is no alternative but to surmount them,—not only will the very surmounting of those difficulties bind you the closer to the home of your choice, but your life

will be the happier, in that you will feel that you are not only seeking your comfort, and your own well-being, but that you are rendering service to the country that bore you, and to the Empire, by earning the right, and acquiring the power, to bear an effective share in moulding the characteristics, and in shaping the destinies, of the great daughter-nation that is coming into existence in the Southern Seas.

SOUTH AFRICA

II. *Henry Birchenough*

LADIES AND GENTLEMEN,—A fortnight ago my distinguished colleague, Sir Walter Hely-Hutchinson, described to you, with his accustomed eloquence, the physical aspects of South Africa ; its peculiar charm, the natural advantages and attractions it offers to both the tourist and the settler, the social conditions of its people, white and black, the variety and distribution of its products, and the great system of railways by means of which those products are transported from province to province and to the sea coast. I feel sure that those of you who heard Sir Walter's lecture have a fairly clear picture in your minds of the outward aspect of South Africa.

It is my duty to-day to carry you a step further, and to give you, to the best of my ability, some account of the commercial and industrial conditions of the South African Colonies and Protectorates. It is impossible, in a single lecture of an hour's duration, to cover the whole ground, so I shall deal more particularly with those aspects of South African trade which are of practical interest to British students and British men of business. I shall endeavour to select the points which either illustrate the present and potential importance of South African markets to the great industrial centres of Great Britain, or are likely to afford help to those who are actually engaged in or

wish to obtain a footing in the markets of the sub-continent. I must ask you not to misconstrue the many blanks there will necessarily be in my sketch, and, above all, not to assume that I do not attach importance to the many aspects of South African trade which want of time alone prevents me from dealing with.

British South Africa, as we understand it,—that is to say, South Africa south of the river Zambesi,—includes the four provinces which now constitute the Union of South Africa (namely, the Cape, Natal, the Transvaal, and the Orange Free State), Southern Rhodesia, which is in the chrysalis stage between a protectorate and a colony, and the Protectorates of Basutoland, Swaziland, and Bechuanaland. In the Union and in Southern Rhodesia you have a comparatively small white population living in the midst of a much larger black population. Economically you have two types of civilisation co-existing side by side, each acting and reacting upon the other. Industrially you have the whites entirely dependent upon the blacks for the supply of unskilled labour. It is of the utmost importance to recognise at the outset that in South Africa no white, if he can help it, will do unskilled work. Such work is considered “Kaffir’s work,” beneath the dignity of a white man, who will only work side by side with a Kaffir on condition that he superintends and directs the Kaffir’s labours but does not share them. All skilled work is reserved with varying degrees of strictness for the white man. This applies equally to work in the house, on the farm, in the mine, and in the workshop. For the present, at all events, the economic and industrial development of South Africa rests upon the basis of an ample supply of black unskilled labour. It is

this fact which differentiates it from the industrial development of Canada and of Australia.

As in other new countries the most important industries of South Africa are agriculture and mining. It is in these two industries that the bulk of labour, white and black, is employed; and it is to the products of these two industries, taken in their widest sense, that exports from South Africa are practically confined. The mineral wealth of South Africa is so well known to you that I need not at this stage dwell upon it. The diamond mines at Kimberley and near Pretoria, the gold-bearing reefs and deposits of the Witwatersrand and of Southern Rhodesia are among the wonders of the modern world. Immense beds of coal have been found in the Transvaal, in the north of the Orange Free State, in Northern Natal, and in Rhodesia. Base metals, such as copper, tin, iron, chrome, asbestos, are found scattered all over the territory, although they have not yet attracted the attention which has been given to gold and diamonds.

Rich as South Africa is in minerals, it may be that its land will prove an even greater source of wealth when the produce of the mines has enabled its people to develop to the utmost the agricultural and pastoral capabilities of the soil. Even now the agricultural exports from South Africa show a remarkable and most encouraging variety, as the following list will show:—wool, mohair, ostrich feathers, fruit, wine, oats, maize, wattle-bark, sugar, tobacco, cotton, hides.

I have before me a detailed table of the quantities and values of the principal articles of domestic produce exported from British South Africa in each of the five years 1906 to 1910:—

Principal Articles.	Values.				
	1906.	1907.	1908.	1909.	1910.
	£	£	£	£	£
Coal—Bunker . . .	375,825	539,603	594,375	644,207	986,161
Cargo . . .	32,339	51,503	172,315	171,596	
Copper—Ore . . .	209,180	254,275	137,547	133,248	486,980
Regulus and Smelted . . .	306,577	418,172	337,100	398,119	
Diamonds . . .	9,257,531	8,973,148	4,796,655	6,370,301	8,480,875
Feathers, Ostrich . . .	1,406,159	1,814,232	1,738,392	2,091,280	2,272,846
Grain, Maize . . .	2,898	184,346	207,364	655,990	704,876
Hair, Angora . . .	850,123	965,687	710,097	861,639	903,164
Hides and Skins—					
Ox and Cow . . .	133,326	202,434	208,052	311,176	406,374
Goat . . .	206,845	249,103	190,958	254,041	275,038
Sheep . . .	421,927	485,405	374,504	552,413	604,220
Wool, Washed . . .	10,331	11,245	10,566	7,315	640
Scoured . . .	223,077	315,677	278,646	218,847	255,658
In the Grease . . .	2,477,627	2,802,035	2,478,989	3,502,308	3,574,605
Bullion, Gold . . .	25,633,561	29,511,267	32,053,043	33,308,573	34,322,136
Value of the Domestic Exports shown above . . .	41,547,326	46,778,132	44,288,603	49,481,053	53,273,573
Total Value of Domestic Exports from British South Africa . . .	42,395,482	47,595,615	45,209,537	50,532,427	54,509,270

The value of the total exports is very large. It averages about £48,000,000 a year for the last five years, and places South Africa at the point where the Dominion of Canada and the Commonwealth of Australia stood only five or six years ago. But what are really interesting are the details. In the five years of my table, all the agricultural exports have shown remarkable expansion. The value of wool

exports has gone up from a little over £2,700,000 to rather over £3,800,000; ostrich feathers from £1,406,000 to £2,272,000; hides and skins from £760,000 to £1,285,000; and, most striking of all, the value of maize exported has increased from just under £3000 to £704,000, which shows that South Africa is rapidly preparing herself to compete in the maize trade of the world.

Another very interesting export is coal,—the value of which has increased in the five years under review from £400,000 to £986,000,—chiefly in bunker coal for steamships calling at Port Natal.

In the same period the value of gold exported has increased from 25½ millions in 1906 to 34½ millions in 1910; while up to 1910 diamonds have decreased from 9½ millions to 8½ millions; not because the mines have been less productive, but because American husbands have had less money to spend in adorning the beauty of their wives.

In no part of South Africa are there at present, with one or two exceptions, very important manufacturing industries. During the last seven years efforts have been made to encourage the growth of such industries, and have met with considerable success owing to a very elaborate system of double protection, partly by means of Customs duties and partly through preferential railway rates in favour of South African produce. The result is that the manufacture of such articles as soap, mining candles, explosives, chemical manures, matches, cigarettes, &c., is rapidly extending, while wood-working, brick-making, milling, brewing, jam-making, printing, and many other smaller industries have become firmly established. Perhaps the most ambitious and successful of the recent additions to South African

manufactures are the Government yards for the construction of rolling-stock for the railways. This tendency to establish manufactures of all kinds will of course continue to develop, as it has done in Canada and Australia. Every self-conscious and self-respecting state in the modern world cherishes the ambition of ultimately becoming self-sufficing, and South Africa is not likely to prove an exception.

For the moment, however, South Africa comes nearer the old-fashioned Cobdenite and Manchester ideal of a colony which exports raw material and imports manufactured goods than any of the other sister states of the Empire. It imports practically the whole of its requirements of manufactured and partly manufactured goods. For this reason it is peculiarly and almost exceptionally interesting to the British manufacturer ; and it is mainly from the point of view of the present position and future prospects of British trade in South Africa that I shall address you to-day.

If you look over the list of imports into South Africa you will see what a varied and important market it is. Large figures strike the eye for such articles as ready-made clothing, haberdashery and millinery, cotton manufactures, woollen manufactures, boots and shoes ; still larger figures for machinery, mining and general, hardware and cutlery, manufactures of iron and steel, electrical cables and fittings ; large figures again for agricultural implements, leather, soap, explosives, cyanide of sodium, glass and china, wines and spirits, jams and preserved meats, and so on. Strangely enough for a country which has such great agricultural possibilities, the imports of wood and timber, butter, condensed milk, bacon and hams,

fresh eggs, fish, wheat and flour are also very considerable, though they are tending to decline. I should like to give you some idea of the magnitude of the South African market, and in order to do so I must quote a few figures:—

Imports of Merchandise into British South Africa (exclusive of Imports by the Imperial Government).

Year.	Cape of Good Hope.	Natal.	Delagoa Bay.	Beira.	Feira and Overland.	Total Imports.
	£	£	£	£	£	£
1906	18,037,000	8,870,000	4,141,000	559,000	12,000	31,619,000
1907	15,475,000	7,552,000	3,769,000	652,000	12,000	27,460,000
1908	13,664,000	6,709,000	4,108,000	738,000	20,000	25,239,000
1909	14,609,000	7,625,000	5,072,000	987,000	4,000	28,297,000
1910	17,970,643	10,148,031	5,831,222	1,199,763	7,694	35,157,353

After these very general figures it will be interesting to see how South Africa compares as a customer of Great Britain with others of our customers, colonial and foreign.

I have a table before me which gives the value of the exports of British produce from the United Kingdom for the last five years to South Africa, India, the United States, Germany, Australia, and France:—

Exports of British Produce from the United Kingdom to South Africa and other Countries.

Year.	To South Africa.	To India, excluding Burmah.	To United States.	To Germany.	To Australia.	To France.
	£	£	£	£	£	£
1906	15,917,409	41,612,795	27,764,905	33,556,752	20,228,836	20,307,400
1907	14,609,054	48,395,986	30,919,098	41,358,099	24,096,655	23,307,666
1908	12,918,172	44,748,364	21,303,565	33,397,643	22,942,415	22,165,622
1909	15,073,896	39,646,085	29,757,026	32,256,062	23,998,845	21,438,345
1910	20,754,246	42,562,407	31,418,139	36,922,234	27,631,416	22,500,397

The exports in the above table are credited to the country of final destination.

I won't trouble you with all the figures, but will content myself with saying that last year we sent to South Africa, with its white population of 1,112,469, two-thirds as much British produce as we sent to the whole of the United States, more than half as much as we sent to the whole of Germany, nearly as much as we sent to France, and three-quarters as much as we sent to Australia with a white population of 4,275,306.

Per head of the white population the imports of British produce into South Africa are extraordinarily high. Passing from figures to actual manufactures, it is interesting to notice that South Africa is among our best customers for mining machinery, cutlery, hardware, cast and wrought iron, steel manufactures, ready-made clothing of all kinds for men and women, haberdashery and millinery, boots and shoes, saddlery, spirits, paper, cement, iron and steel wire and galvanised iron. She takes one-half of our total exports of mining machinery and of apparel.

I think we may look forward not only to the maintenance, but to a continuous and progressive increase of the above figures. The political unification of the four southern states will be followed,—is indeed already being followed,—by a unification of economic and industrial interests. All parts of the territory will feel the stimulating hand of a strong central government. There is an end to the uncertainty which has brooded over South Africa as to the fiscal policy, the railway policy, and the native policy of the future. The financial strength of the richer states of the Union will be available to develop the resources of the poorer states. The work of economic reconstruction, which was taken in hand with such marvellous energy and success by Mr. Chamberlain and

Lord Milner after the war, will be continued under conditions in some respects far more favourable than they had to battle with. The assistance they gave to agriculture has borne abundant fruit, as is evidenced by the great increase in agricultural exports already alluded to, and still more perhaps by the decrease in the importation of food-stuffs. South African farmers show a growing interest in the scientific side of farming, and we may fairly look for continually increasing importations of agricultural implements and machinery.

When I come to speak in detail of the mining industry you will see that it is at the flood-tide of its expansion, giving more and more employment to both whites and blacks. And nothing is more favourable to the expansion of the mining industry than an increase of public confidence such as we see in South Africa to-day; for mining depends for the capital necessary for extensive development upon investors in Europe, who will only put up money when the political sky is fairly clear. The more prosperous the mines, the larger the demand for machinery to equip them and for stores of all kinds to keep them going. Then there are those smaller industries to which I have referred which are taking root, and the rate of whose expansion will depend upon the general prosperity of the country. If I am right in taking a favourable view of industrial prospects in South Africa, then we may look forward to a steady and progressive increase of employment, which means a corresponding increase in the spending power of the population, both European and native, to satisfy which there must be increased importation of general goods from Europe and America. But the matter does not end there. A general increase of comfort carries with it almost

necessarily the demand for municipal improvements, for better water supply, better sanitation, greater facilities for locomotion and communication, all of which involve the expenditure of large sums of public money and necessitate the importation of material and equipment. Many such schemes are on foot in South Africa of both a public and private nature. I may instance amongst many the great public buildings which are being erected at Pretoria and Johannesburg, and the numerous branch-lines and railway connections which are either projected or are under construction.

One other point I must refer to, though I can only glance at it. I mean the increasing demand of the native population for imported goods. Trade with the natives is known as "Kaffir truck." In its early stage it consisted of such simple articles as beads, blankets, copper wire, cheap cutlery and hardware ; but since the natives earn more and have more to spend, they are rapidly developing a taste for European clothes, European food, and American furniture. When the large black population is taken into account, it will be obvious how important an influence upon trade this change of habits is likely, as time passes, to exercise.

Another comparatively new element which must be taken into account in estimating the future of South African trade is the truly remarkable progress which Southern Rhodesia has lately made.

Rhodesia is the youngest of South Africa's daughters, but each year is showing that she is one of the most richly endowed. The acquisition of Rhodesia has many of the characteristics of genuine Elizabethan adventure ; and when its history comes to be written it will, I think, prove to be not the least romantic episode

in the "Expansion of England." To Mr. Rhodes' far-seeing eye Rhodesia was not only the hinterland of the southern colonies, it was also a great heritage for the British people, a vast reserve area for future British homes. To the early pioneers the abandoned workings of the gold-mining of two thousand years, which they found all over the territory, made it seem a veritable El Dorado. At first disappointment followed upon too sanguine hopes. A great native rebellion, devastating cattle plagues which cleared the country of both stock and game, and finally the South African War, delayed the progress of development. After the war Rhodesia shared in the set-back which overtook all the South African colonies, though the depression was never so severe in Rhodesia as elsewhere. But during the last four years,—and you must remember that Rhodesia has only just celebrated her twenty-first birthday,—a great change has manifested itself. Experience, slowly and painfully acquired, has enabled men to form a truer idea of both the mineral and agricultural wealth of the territory. There may be no goldfields so extensive or so concentrated as the Witwatersrand in the Transvaal, but gold in highly payable quantities is found all over the country and in every kind of formation. Almost every month brings some fresh discovery. Coal is abundant, and many base metals have been found and worked. Some of them,—chrome, copper, and asbestos, for instance,—are already being exported, and afford promise of much-needed return cargo for the ships which bring imports to South Africa. It is safe to prophesy that the next five years will see rapid and significant progress in the mineral development and more particularly in the gold industry of Southern Rhodesia. The advance in agriculture and land-

settlement has been no less striking. The mining districts afford a ready market for produce ; and if cattle diseases can be controlled (or better still eradicated), and an adequate supply of native labour is forthcoming, farmers will continue to do well. This new prosperity is reflected in both revenue and railway receipts, which have increased wonderfully in the last two years. No branch of revenue has shown greater elasticity than the receipts from Customs duties upon imported goods, which have come in much larger quantities to supply the needs of a growing population and expanding industries. I have before me figures which show the importance of this increase, and they fully sustain my contention that the development of Rhodesia has become a factor of great weight in the future prosperity of South Africa.

Imports of Merchandise into Rhodesia from Oversea.

Year.	Total.	From United-Kingdom.	Per- centage.
	£	£	
1906	1,055,499	719,419	68.1
1907	1,144,443	803,548	70.2
1908	1,328,118	868,154	65.4
1909	1,554,897	1,037,327	66.7
1910	1,958,044	1,258,488	64.3

I will now deal with what may be called the mechanism of the import trade of South Africa, explaining to you as briefly as I can how the trade is done.

Practically all imports find their way into, and all exports their way out of, South Africa through six

great sea-gates—Cape Town, Port Elizabeth and East London in Cape Colony ; Durban in Natal ; Lorenzo Marques on Delagoa Bay ; and Beira in Portuguese territory. South Africa is very deficient in good natural harbours ; and unfortunately the two which possess the greatest natural advantages are the foreign ports of Delagoa Bay and Beira. All these ports are connected with the centres of production and consumption throughout South Africa, from the Cape Peninsula to the border of the Congo Free State, by a system of railways which in mileage and equipment is, I believe, unrivalled in the British Empire, especially if you take into consideration the number of the white population.

One of the most difficult problems of South African statesmen before the Union was the rivalry of the ports with each other and with Delagoa Bay. In order to secure to each port a share of business, the most elaborate and artificial arrangements had to be made for fixing railway rates not according to the requirements of the traffic, but according to the relative advantages and disabilities of the ports. Since the Union all the harbours have been placed under the control of the Railway Commission, and this artificial system will be radically modified and the share of traffic of each port will be determined less by political than by economic considerations. A treaty has been made with Portugal fixing the position of Delagoa Bay with regard to its share in the Transvaal trade. Beira, which is the port for Southern Rhodesia, is not included in this arrangement.

The following are the distances of the ports from Johannesburg, the most important centre of South African trade :—

Cape Town to Johannesburg	.	.	1015 miles.
Port Elizabeth	„	.	715 „
East London	„	.	667 „
Durban	„	.	485 „
Delagoa Bay	„	.	396 „

It is interesting to note, as shown in a table already given, that in the year 1910, taking value and not tonnage, one-half the imports of merchandise imported into South Africa entered through the three Cape ports, between a third and a quarter through Durban, and about a fifth through Delagoa Bay and Beira.

I pass now from the ports of entry to the methods of conducting business in South Africa.

A very large part of the trade of South Africa passes through the hands of large importing firms, which have houses at the ports and in all the principal trade centres. Some of them have their headquarters at the ports with branch houses in the inland towns, while others reverse this arrangement. All these firms have buying houses or agencies in Great Britain, generally in London; and a very large proportion of continental, and even some American, produce and manufactures, are purchased through London, and pay London either a profit or a commission.

The coast houses are, as a rule, general merchants dealing in all classes of goods, produce and food-stuffs, hardware, machinery and implements, groceries and provisions, furniture, clothing, and "soft" goods, although there is an increasing tendency to specialise, more particularly in the direction of separating "rough" and "fine" goods. Many of them carry on business on an immense scale; and their establish-

ments, both in size and equipment, would be striking even in London.

They import goods—

1. For consumption in their own province.
2. In dépôt to supply the requirements of the inland provinces.
3. As forwarding agents for goods sent through in transit for the inland provinces.

They dispose of these goods—

1. By means of branch houses of their own in the up-country districts ; or
2. To “supported” or tied houses in the inland districts—that is, to traders who, in return for credit, confine their purchases to them.
3. By sales to independent houses all over the country.

They keep and send out travellers, just as merchant houses do at home, and conduct their business generally on much the same lines.

In buying goods they either indent direct on London, or they may make a choice from samples sent or submitted to them by European and American travellers, of whom there are every year an increasing number ; but as a rule the actual orders in the latter case also go through the buying houses or agents at home.

The up-country branches and “supported” houses, in addition to selling goods, carry on a buying business, obtaining from farmers and small dealers any local produce they have to sell, such as wool, mohair, maize, Kaffir corn, skins, and hides, which they send down to the coast houses for export.

I have stated that a large portion of the trade of South Africa passes through the hands of the coast houses. There are in addition, all over the maritime

and inland colonies, independent local merchants, who import their own goods direct, employing a buying and shipping agent in Great Britain, and forwarding agents at the ports. Many of them conduct their business on exactly the same lines as the coast houses—that is to say, they have branches or “supported” houses, or they sell to small traders.

Moreover, many important British and foreign manufacturers, especially in the engineering trades, have their own offices or agents in South Africa, import their own goods, either for stock or to order, and deliver them to customers at landed prices. This is almost the universal practice in the machinery and mining stores market at Johannesburg, where all quotations for contracts have to be quoted in prices “delivered Johannesburg.”

This sketch is in no sense complete. It is only intended to give a rough idea of how the business of importing is carried on.

It is important to remark that it is the practice to keep stocks of all kinds at the coast in order to postpone the payment of duties, and more particularly of heavy railway freights, until goods are actually wanted up-country. It is unlikely that this practice will be affected by the recent political changes, because, although it is possible to send goods through in bond to inland towns, it will always be desirable to defer as long as possible the payment of railway charges. The commercial importance of the coast towns is therefore likely to continue.

I have now dealt with the general character and the magnitude of South African trade, and with the manner in which it is handled. It may well be that what I have said closely resembles what has been

said by previous lecturers, who have described to you the trade of other parts of the Empire. I come now, however, to a portion of my subject which does mark off South Africa from the other sister States, not excluding Australia. I allude to the remarkable mineral wealth of the Transvaal and of Rhodesia, and to the effect of that mineral wealth upon the economic and industrial development of the whole sub-continent. When Lord Milner first faced his great task of reconstruction, he quickly realised that it was from the mines, and more particularly from the gold and diamond mines, that means must first of all be drawn for the development of the country and the expansion of trade. Cecil Rhodes had exactly the same idea when he added to the Empire the great territory which bears his honoured name. Once discover the gold and get the mines running, and population would follow, with railways, trade, and, most important of all, agriculture in its wake. It is the mining industry of the Transvaal and of Rhodesia which is, by common consent, the determining factor in the immediate future of South African trade, not only as the readiest available source of wealth for the development of the country, but also as constituting a great and expansive market, directly for plant, machinery, and mining stores, and indirectly through the growth of population for produce and manufactures of all kinds.

One has only to visit the great mining centres of South Africa, Kimberley, Johannesburg, and Southern Rhodesia, to realise that there are the pivots upon which the immediate commercial prosperity of the country turns. Whatever else the future may have in store, the present lies there, and most of all on the Witwatersrand round and about Johannesburg.

I cannot attempt to give you a detailed description of the great gold industry of the Transvaal,—it would be very interesting, but it would take too long,—but it has certain characteristics which are of so much interest and importance to British trade that I must endeavour, as briefly as possible, to bring them out in sharp relief. The characteristics I refer to are :—

1. The magnitude of the industry, which is best illustrated by a few striking figures :—

(a) The main gold-bearing reef along which the mines are studded has been traced for over sixty miles. I have motored for over thirty miles along the reef from mine to mine with scarcely a break; and a most impressive spectacle it is.

(b) The value of the gold already recovered since the discovery of the Witwatersrand in 1886 amounts to about £250,000,000 sterling. In 1909 the output for the year reached 7,250,000 ounces, valued at approximately £30,000,000, equal to one-third of the whole world's production of gold for the year. In 1910 it reached the still higher figure of £34,500,000.

(c) The capital invested is estimated at about £100,000,000, but of course the market valuation is very much higher. The total dividends paid by producing mines amount to over £75,000,000. In the year 1909 alone £9,000,000 were distributed.

(d) Something like £25,000,000 have been expended upon machinery alone to equip the mines.

(e) About £10,000,000 a year is now being spent upon stores which of themselves constitute a considerable market for imports. These consist of articles to satisfy daily requirements,

—they do not enter into capital expenditure,—and include such items as fuel, explosives, candles, timber, cyanide, galvanised and sheet iron, tools, picks and shovels, wire rope, piping and fittings, trucks and rails, cement, lubricants, and so on.

- (f) In June 1910 the whites directly and immediately employed on the mines numbered between 23,000 and 24,000, and the blacks about 200,000. In 1909 the salaries and wages paid to whites amounted to £6,800,000, and to blacks to over £4,000,000.

If I had added to these figures the figures for coal, diamonds, and base metal mines, they would all have been considerably larger.

I think I have given you sufficient indication of the magnitude and resources of the industry to show you what a magnificent market it offers to those who seek to satisfy its requirements.

2. The second, and perhaps the most striking characteristic of the mining industry on the Rand, is its comparative certainty. Not only are the fields larger in extent than any of the kind previously worked, but their character is such that, speaking broadly, forecasts of singular accuracy can be made as to financial results. The gold is always there—the only question is what will be the cost of getting it out, and will it leave a margin of profit upon working expenses? As I stated in my report to the Board of Trade seven years ago:—

“Looked at as a working industry, gold-mining on the Rand is not a speculation at all; it is as solid, as commonplace, as unexciting as any other staple trade, such as cotton-spinning or coal-mining at home; and in some respects it is even less speculative,

because its product practically never fluctuates in value, never finds an overstocked market, and never suffers from change of fashion."

3. Another characteristic is the remarkable frankness with which the Reports of the Chamber of Mines and the Government Department of Mines reveal to the world all the internal workings of the industry. The following quotation amplifies my meaning:—

"The statistics and information given in the printed reports of the various companies in these fields practically throw open the door of mines, reduction works, laboratories, and workshops to any shareholder who may care to enter: the amount of reliable and detailed information which is published on the working of the mines is probably without parallel in any other mining district in the world, nor is it surpassed in any other business enterprise."

4. The last feature with which I need trouble you is the system under which all the individual mines are controlled and financed by powerful financial groups such as the Consolidated Goldfields of South Africa, the General Mining and Finance, the Rand Mines, and so on. The effect of this system is that the credit of individual mines is the credit of the controlling group; so that each unit acquires a high financial stability, which is all-important from the point of view of those who supply equipment and stores. Such a thing as a bad account is practically unknown under this system.

You can easily imagine that a market which offers such opportunities for business is eagerly competed for. There is no branch of mining or electrical engineering which is not hotly contested by some of the four rivals—Great Britain, America, Germany, and Switzerland. This is apparent wherever orders

for machinery of any kind are to be placed in South Africa, whether by municipalities or by private companies, but it is most striking of all in the great market of Johannesburg. There is probably no place in the world where competition is so keen as in that city. Our foreign rivals are fully alive to the magnitude of the market, and are anxious to maintain and strengthen their foothold.

Any firm in the engineering trade, wishing to do business in Johannesburg, *must* be represented there. Mining stores are practically all bought upon the spot; tenders are asked for locally, and as a rule prices are quoted for delivery "free upon the mines." Unless a manufacturer has either an office of his own with a direct representative, or employs an agent, he stands a very poor chance of doing any business. It is also important that he should hold stocks either upon the spot or at the coast, from which he can execute orders promptly.

The same practice is not always followed in placing orders for mining machinery and equipment. Local firms are generally asked to tender, but the actual orders are, as a rule, sent to the offices of the mining companies in London, and are placed in Great Britain, America, or on the Continent from London, in accordance with the advice of the mining engineers.

The choice of a suitable representative is one of the most important decisions any manufacturer has to make when he enters the South African market. There is of course a large number of firms in South Africa, both British and foreign, who have been established there for many years, who thoroughly understand the needs of the mines and the business of ordering and importing machinery and plant, and it is with them that the newcomer has to compete.

Mr. Sothern Holland, His Majesty's Trade Commissioner in South Africa, makes the following statement in one of his valuable reports :—

“A method of representation which has been found to work well in Johannesburg in the case of manufacturing concerns whose products may warrant a very large turnover, is the appointment of an existing firm in South Africa as the manufacturer's agent, which firm is provided by the manufacturer with a capable engineer having full technical as well as some commercial knowledge. The manufacturer pays the engineer his salary and all expenses, both of which are high, whilst the firm of agents provides office room, clerical, and accountancy assistance, and they make the business and financial arrangements, and on all specially indented orders for South Africa they obtain a commission from the manufacturer. Of course such an arrangement costs the manufacturer a great deal, and it would not be warranted unless a large amount of business was practically assured. For sales by the agents from local stocks they settle their own profits ; such stocks are frequently supplied by the manufacturer on consignment.

“For the purposes of starting a business in a smaller way, such a method as just outlined would be altogether too expensive for manufacturers, and it would probably be only practicable in such cases to make arrangements with South African firms to represent them and endeavour to start business in lines which wanted pushing ; and in these cases it is advisable for manufacturers *to send out their principals to conclude arrangements.*”

I must now turn from this characteristic branch of South African trade to consider a question, which is

of special interest in all colonial markets, and which has no doubt been dealt with by my predecessors with reference to Australia and Canada. I mean the extent of foreign competition in the markets of South Africa, the reasons for its success, and the steps which British traders are taking or should take to meet it effectually.

In order to give you an idea of the extent of foreign competition in the markets of South Africa, I am afraid I must give you a few figures, but I promise to be as merciful as possible.

I have here a table which shows the value of the imports of merchandise into British South Africa from the United Kingdom, from British possessions, and from foreign countries, with percentages for the five years 1906 to 1910.

Imports of Merchandise into British South Africa from the United Kingdom, British Possessions, and Foreign Countries, with Percentages.

Year.	United Kingdom.		British Possessions.		Foreign Countries.	
	Value.	Per-centage.	Value.	Per-centage.	Value.	Per-centage.
1906	£ 18,494,000	58.5	£ 3,935,000	12.4	£ 9,190,000	29.1
1907	16,094,000	58.6	3,847,000	14.0	7,519,000	27.4
1908	14,411,000	57.1	3,481,000	13.8	7,347,000	29.1
1909	16,705,000	59.0	3,394,000	12.0	8,198,000	29.0
1910	20,754,246	59.0	3,638,346	10.4	10,764,761	30.6

The imports represent the value from the " countries of origin."

Looking at the table, I find that in the year 1910 the proportionate contributions from these three sources were as follows:—

From the United Kingdom . . .	59 per cent.
„ British possessions . . .	10.4 „
„ foreign countries . . .	30.6 „

Taking the United Kingdom and British possessions together, 69.4 per cent. of the total imports into South Africa were of British origin, against 30.6 per cent. of foreign origin; so that a vastly preponderating proportion of South African imports come from imperial sources. This is so far satisfactory; but what is not so satisfactory is that, when I reported to the Board of Trade upon this question eight years ago, the proportions were for the year 1902:—

From the United Kingdom, 64 per cent.	5 per cent. more than now.
„ British possessions, 12 per cent.	1.6 per cent. more than now.
„ foreign countries, 24 per cent.	6.6 per cent. less than now.

From which it will be seen that in eight years the foreigner has encroached upon our share very seriously indeed. It is only fair to say, however, that a portion of this apparent loss may be due to the more accurate returns as to the British and foreign origin of goods, since the South African colonies accorded preferential treatment to the produce and manufactures of Great Britain, a subject about which I shall have something more to say by-and-by.

Passing from mere percentages to actual imports, it may be said there are:—

I. Whole branches of trade in which Great Britain stands supreme, such as wearing apparel for both sexes, haberdashery, millinery, the better classes of

furniture (the cheaper classes of furniture are mainly American), printed books, groceries, confectionery and drugs, and in fact most articles connected with the person and the home. In all these, foreign imports are so small that they make very little impression upon the total figures.

2. Other trades in which we hold our own, but encounter competition which is keen and encroaching, and shows signs of absorbing particular departments. Among such may be mentioned by way of illustration: (*a*) hardware and cutlery, where we encounter America, Germany, and Belgium, and where America and Germany have secured the bulk of the trade in fencing-wire and wire-nails; Belgium in fencing-standards, Germany in some branches of cheap cutlery, and America in steel tools, such as saws, hammers, axes, chisels, &c.; (*b*) manufactures of metal, in which again America, Germany, and Belgium are our rivals, especially in steel rails, steel joists and girders, &c.; (*c*) machinery in all its branches, where we are in sharp competition with America and Germany.

3. Finally, there are a few branches in which we are actually behind our competitors, such as (*a*) agricultural implements, in which we are beaten by the Americans, and have also to meet German competition; and (*b*) electrical engineering, in which Germany is for the present taking the lead, while America is also a serious competitor.

Our chief competitors are undoubtedly America and Germany, with Belgium and Switzerland very much in the second rank.

The importations from other European countries, such as France, Holland, Austria, Sweden, and Norway, are either insignificant, or consist of special

produce or manufactures, such as potatoes, preserved vegetables, silks, ribbons, feathers and lace, wine and brandy from France; butter, margarine, cheese, and a few cotton prints from Holland; bentwood furniture and high-class ladies' boots and shoes from Austria; Baltic deals and wood of all kinds from Norway and Sweden.

It is obviously impossible for Great Britain to supply all the wants of any market. There must always be a certain importation of the characteristic manufactures of other nations to satisfy the various needs and tastes of a mixed population. Every producing country has its own specialities, which find their way into every civilised market in the world, and South Africa is no exception. In considering the question of foreign competition, the point is to get down to those articles which are, or may be, produced by competing manufacturing countries, and to ascertain the share which Great Britain secures in their total importation, and to compare it with what she might secure.

I have already told you that 59 per cent. of South African imports came from Great Britain in 1910; the corresponding percentages for the United States and Germany are 7.8 for the United States, and 10.3 for Germany.

America is undoubtedly a very formidable rival; but many of her principal articles are non-competitive in their character—that is, they are such as Great Britain does not and cannot produce. Even in competitive articles American manufacturers have confined their attention chiefly to the trades in which the natural resources of their country, or their experience at home of conditions similar to those which prevail in South Africa, or their well-known ingenuity and inventive-

ness, give them special advantages. This explains why they have succeeded in securing so large a share of the trade in agricultural implements, mining

Imports of Merchandise into British South Africa from Various Countries.

Imports from	1906.		1907.		1908.		1909.		1910.	
	Value.	Percentage of Total.	Value.	Percentage of Total.	Value.	Percentage of Total.	Value.	Percentage of Total.	Value.	Percentage of Total.
United Kingdom	£ 18,494,000	58.5	£ 16,094,000	58.6	£ 14,411,000	57.1	£ 16,705,000	59.0	£ 20,754,000	59.0
United States	2,702,000	8.5	2,058,000	7.5	2,021,000	8.0	2,196,000	7.8	2,740,000	7.8
Germany . . .	2,299,000	7.3	2,001,000	7.3	2,141,000	8.5	2,454,000	8.7	3,618,000	10.3
Belgium . . .	373,000	1.2	293,000	1.1	288,000	1.1	438,000	1.5	659,000	1.9
Holland . . .	346,000	1.1	359,000	1.3	370,000	1.5	419,000	1.5	539,000	1.5
France . . .	521,000	1.6	450,000	1.6	398,000	1.6	467,000	1.7	562,000	1.6

The imports represent the value from the "countries of origin."

machinery, electrical machinery and equipment, machine tools, small steel tools of all kinds, cheap furniture, carts and carriages, all goods in which

wood plays an important part ; and in what are called "notions" of all kinds. In food-stuffs and natural products the United States compete with Australia and not with Great Britain in the South African market.

If there were time it would be interesting to consider the manner in which Australia, New Zealand, and Canada are coming to the assistance of the Mother Country in combating foreign competition within the Empire.

The competition of Germany—our second serious rival—is much more general and ubiquitous. It covers practically the whole field of competitive imports. So far, in a large number of cases the result is only a nibble, but in others it is a large bite. In 1902 the value of German imports into South Africa only amounted to about one-twentieth of the value of British imports ; in 1909 they represented one-seventh ; and there is every indication that they will continue to increase, unless the most strenuous efforts are made by British manufacturers to keep them in check. I see no reason why this should not be done with reasonable activity and exertion on our part. But the Germans are an enterprising and industrious people. Their personal desire and national policy is to create and foster a large export trade, and they are prepared to make great sacrifices in order to effect their purpose. Moreover, they are very persistent, and are not deterred by difficulties at the outset. British manufacturers should watch them closely and take careful note of their methods, which are often worthy of imitation. Such foothold as Germany has in the trade of South Africa has been won by the industry and enterprise of her traders, and her progress can only be successfully combated by superior industry and enterprise on our part. I

have no desire to exaggerate the seriousness of German competition; there is little to excite actual apprehension; but there is everything to stimulate continuous and unremitting watchfulness.

It would be very interesting to examine in detail the causes to which the success of foreign competition is due. Time will not permit me to-day to do more than refer you by way of suggestion to a few of them. For instance, the possession of an ample and varied supply of cheap timber gives the Americans a great advantage, both in price and quality, in all articles in which wood is largely used, such as carts, carriages, hand-carts, trollies, rims, spokes, and hubs for wheels, churns and other agricultural appliances, and most of all "knock-down" or rough furniture, which is rapidly becoming a very important article of sale in all parts of South Africa.

In other trades the ingenuity and inventiveness of the American people constitute an initial superiority. This is shown in various branches of hardware, and especially in steel tools and small machines, such as typewriters, sewing machines, cash registers, &c. The Americans are constantly introducing novelties to save labour and multiply conveniences, and with these they naturally tempt colonial buyers.

Another great advantage the Americans enjoy lies in the fact that their manufacturers have had in their own country to deal with, and to provide for, conditions very similar to those which prevail in South Africa, so that they come into the market with an experience which the British have slowly to acquire. This has helped them immensely, and indeed for a time secured for them the lead in agricultural implements, and in some departments of gold-mining machinery.

German trade has benefited by the low freights by land and sea combined, which the bounty or subsidy system makes possible; by a national policy which encourages over-sea trade by every means in the power of both Government and commercial combinations; and perhaps most of all by a banking system which enables finance to co-operate with industry far more continuously and effectually than in Great Britain. It was solely due to the assistance of the German banks, for instance, that Germany was able to secure the vast orders for the electrical equipment of the Victoria Falls and Transvaal Power Company, one of the largest electrical installations in the world.

We are so frequently told in the Press that the success of foreign competition in colonial markets is due to their superior *business methods*, that I must deal with that point rather more fully so far as it relates to South Africa.

It is always difficult to compare the business methods of different peoples, because such qualities as push, enterprise, accommodativeness, and attention to detail are rather individual than national, and one can point to British firms which have very little to learn from their foreign competitors. Still, the general impression one forms in South Africa is that foreigners, and especially Germans and Americans, do owe much of their success to the extraordinary activity and alertness they show in the conduct of their business, and to the careful measures they take to retain and extend their connection. They are, as a rule, less conservative than their British rivals, more willing to adapt themselves to the requirements and even the humours of purchasers, to listen to their complaints and carry out their suggestions. They succeed in making their

customers feel that buyers and sellers have common interests, and should co-operate with each other for the improvement of the articles that concern them. Instead of endeavouring to force the sale of goods they are in the habit of making, they strive to find out what their customers really want and make it for them. I admit that British manufacturers have greatly improved in this respect of late, and that there are manufacturers in all trades who are as ready and willing as their foreign competitors to meet, and even to anticipate, the wishes of their customers. It is in the heavier trades,—machinery, metal-work, and engineering generally,—that conservatism appears to linger still; and no doubt reasons for this are to be found in the general character of the organisation of British industry. Unfortunately, it is just in these trades that competition is most keen, and that the most liberal and progressive methods are called for. It is useless to tell an agriculturist or a mining engineer that a particular class of machinery sells elsewhere and gives every satisfaction, as so many British representatives appear to do. South Africa, and especially the Transvaal and Rhodesia, have their own difficulties to meet and their own problems to solve; and it is only by a careful and minute study of local conditions that manufacturers can hope to produce machinery really suitable for the market. The man on the spot knows the difficulties he has to contend with, and can at all times give most valuable and helpful hints. The Americans and Germans not only welcome but constantly ask for suggestions. No detail, whether it be of alteration, adaptation, make-up, finish, method of delivery, or packing, is too small or insignificant for their attention. They study very closely and carefully local

conditions and requirements, and adapt their manufactures to the precise use and work which is demanded of them. The result is that they turn out goods which will just serve their purpose with a small margin, and this makes them formidable antagonists in markets where cheapness is more valued than durability.

I cannot insist too strongly upon the fact that this question of a close and untiring study of the special circumstances and requirements of such a market as that of South Africa, which is constantly changing and developing, goes down to the very root of efficiency in competition. It is the one point of all others to which British manufacturers ought to give their most careful attention. Now the last thing I wish in making these remarks is to present the appearance of framing an indictment against British traders or of suggesting their general inferiority to their foreign rivals. Any such accusation would be as unjust as it would be ridiculous. It is entirely disproved—if such disproof were needed—by the enormous preponderance of British imports into South Africa and by their continuous expansion. In face of increasing foreign competition it is, however, important that our manufacturers should keep themselves informed of the weak places in their organisation, and should study and appreciate those business methods of their rivals which have brought them success, and are worthy of imitation. We have, of course, much to learn from the ways and experience of others, just as they have much to learn from us. The gifts and business training of peoples as well as of individuals vary; and national faults of character reveal themselves in the conduct of trade just as they do in the conduct of war. I think we British too often pit our natural gifts and rule-of-thumb methods

against the carefully organised professional and scientific training of other nations. Moreover, our great success in the past perhaps inclines us to a certain slackness, which prevents us from exerting ourselves to the utmost except under some kind of compulsion, and to a conservatism which makes us follow rather than lead in the evolution of modern business methods. I am satisfied that the nation which was the first to solve the problem of production is quite capable of holding its own in the art and practice of distribution, if it will only take the trouble to adapt its commercial methods and its commercial policy to the changing requirements of the age we live in.

There are many circumstances favourable to the maintenance and expansion of British trade in South Africa. We have the advantage of a predominant position from which it ought to be difficult to dislodge us. The tastes, habits, and prejudices of the white population are very like our own; fashions follow practically the same course, and popular demand is very much the same as at home. Then one finds everywhere a strong predisposition in favour of British work on account of its intrinsic excellence, and that counts for much in the placing of competitive orders. A majority of the firms engaged in South African trade are either British or are dependent upon British capital and are controlled from London. Public and municipal loans are always raised in London; and when they are for reproductive purposes their expenditure is mainly directed to British sources of supply. The same remark applies frequently, though by no means invariably, to large private enterprises. This financial dependence is a powerful element in the maintenance of our commercial position.

Moreover South Africa, like other sister States of the Empire, has granted preference to the Mother Country in the matter of Customs duties. In the case of South Africa the preference is not large,—it amounts to about 3 per cent. upon the invoiced value of dutiable goods,—but it is a distinct advantage where competition is severe. Moreover, it rests with us to decide whether it shall or shall not be larger in the future ; for no one can doubt that the United States of South Africa would reciprocate generously if the policy of Colonial Preference were adopted by Great Britain.

Already in Rhodesia, which is destined to play a rôle of increasing importance in the expansion of imperial trade, a preference of something like 40 per cent. of the duties levied under the Union Customs Tariff is given to the majority of imports from the United Kingdom and from the sister States of the Empire, by a provision which the imperial patriotism of Mr. Rhodes introduced into the constitution of the territory in the hope of securing the trade of those vast regions for British manufactures and British workmen.

I will only mention one other point, and it is of great interest and importance. British manufacturers and traders have now been provided by the Board of Trade with a most efficient system of commercial intelligence in all the self-governing colonies. After my official mission to South Africa in 1903, Trade Correspondents were appointed by the Board of Trade in the five principal commercial centres of South Africa, whose duty it was to forward information to London upon all matters of special interest to British traders, and to reply to inquiries addressed to them either by traders or by the Board. This modest system was only intended as a beginning ; but

it justified itself so completely that it was extended to Canada, Australia, and New Zealand.

At the last Colonial Conference in 1907 the Colonial Premiers suggested and pressed for the appointment of an Imperial Trade Commissioner in each of the four great over-sea Dominions in order to co-ordinate and develop the work of the Trade Correspondents. His Majesty's present advisers accepted the suggestion, and in 1908 the appointments were made. For South Africa the choice of the President of the Board of Trade fell upon Mr. Sothorn Holland, who has proved himself one of the ablest and most energetic servants and fosterers of British trade it is my good fortune to know. Before taking up his duties Mr. Holland visited some of the most important trade centres in the United Kingdom, interviewed both Chambers of Commerce and individual manufacturers, and acquainted himself as far as possible with their wishes and requirements. In South Africa he established his office in Cape Town, the port at which the majority of traders and merchants land. During the last two years he has visited every important centre in South Africa in order to tap permanent sources of information in each province. He has been welcomed by Government Departments, Chambers of Commerce, Agriculture, and Mines, and by the vast majority of individual merchants, who have unreservedly placed themselves at his disposal. It is his duty to collect information from every source; to write, or if necessary, cable details of important contracts or openings for trade to the Board of Trade at home; to furnish reports upon the changing conditions of business; to supervise the work of correspondents in the provinces; to assist principals or representatives of British firms visiting South Africa, by information

and advice ; to answer letters of inquiry, of which, I may just mention, no less than 1500 were addressed to him and the Trade Correspondents in the year 1909.

It is intended that he shall return to Great Britain every two years and visit as many of the manufacturing districts as possible in order that he may keep in close touch with the business community at home. During a brief trip to England last year he reported to the Board of Trade that he was interviewed by 150 manufacturers in different parts of the country, of whom about "50 per cent. were not represented in the South African market, but are now taking steps, assisted by the organisation of the Board of Trade, to establish trade relations with South African buyers. Of the balance from 30 to 40 decided that a principal of their firm should visit South Africa at an early date."

I cannot conclude my address by a better recommendation than that which is repeated over and over again in all Mr. Holland's reports. Let those who wish either to study or to obtain a share in the growing trade of South Africa not be content to see it through the eyes of others ; let them go to South Africa and study it with their own.

THE WEST INDIES

Sir Daniel Morris

A LECTURE on the commercial and industrial conditions of the West Indies will serve as a convenient means of introducing a new subject for your consideration. Hitherto the distinguished gentlemen who have stood at this desk have dealt, for the most part, with conditions in temperate countries. As you are aware, the West Indies are wholly within the tropics ; and they are concerned with conditions and prospects of an entirely different character. The productions of the tropics are in increasing demand, as they are becoming more and more necessary to the inhabitants of temperate countries. It would be impossible in a series of lectures on British possessions to omit those situated in the tropics. This country has control of some of the richest areas in the tropical zone ; and it is not beyond the mark to state that our commercial supremacy may largely depend on our maintaining control of them. It is estimated that there are about 3,000,000 square miles of British territory within the tropics. This area is producing commodities of the estimated value of £230,000,000. A large share of these are received in this country, and they contribute materially to the prosperity and welfare of our people. It is therefore to our interest to keep closely in touch with the conditions and prospects of our tropical possessions, so that we may render them still more

capable of supplying the raw material so necessary to the maintenance of our commercial prosperity.

One of the most promising features in regard to developments in the tropics is the great advance that has been made in the study of tropical diseases. The London School of Tropical Medicine, which owes its existence to Mr. Chamberlain, and the Incorporated Liverpool School of Tropical Medicine, founded by the late Sir Alfred Jones, during the last twelve years have rendered splendid service in conducting original researches into tropical diseases and training medical men for service in the tropics. There are also the Sleeping Sickness Bureau and the Tropical Diseases Research Fund. More recently a Tropical Entomological Research Committee has been formed at the Colonial Office with Lord Cromer as chairman. This undertakes the scientific study of the habits and distribution of biting insects. It is recognised that the majority of tropical diseases, such as malaria, sleeping sickness, yellow fever, and plague, are conveyed by such insects, and with the extermination of these the diseases themselves should sooner or later come to an end. In this connection Lord Robson recently remarked: "It is the man of science who is to decide the fate of the tropics; not the soldier, or the statesman with his programmes and perorations, but the quiet entomologist. He is the man of science who of all others strikes popular imagination the least, and gets less of popular prestige; but he has begun a fascinating campaign for the sanitary conquest of those enormous tracts of the earth; and before long he will have added their intensely fertile soil, almost as a free gift, to the productive resources of the human race."

The West Indies are among the oldest and most

interesting of our possessions. In 1793 Sir Bryan Edwards, the historian, wrote: "The West Indies are the main source of Great Britain's opulence and maritime power." This was true then; and it was partly true for a long period afterwards. From the same point of view Froude spoke of them as "precious jewels for which hundreds of thousands of English lives had been sacrificed to tear them from France and Spain. The Caribbean Sea was the cradle of the naval empire of Great Britain. There Drake and Hawkins intercepted the golden stream which flowed from Panama into the Exchequer at Madrid. . . . In those waters, in the centuries which followed, France and England fought for the ocean empire; and England won it. . . . For England to allow the West Indies to drift away from her, because they have no immediate marketable value, would be a sign that she had lost the feelings with which great nations always treasure the heroic traditions of their fathers."

After the emancipation of the slaves, the West Indies passed through a series of misfortunes which culminated in the almost total destruction of their resources. The most recent of these was the blighting influence of the bounties on sugar given by the continental powers, enabling foreigners to undersell the British producer in his own market. These bounties varied from £1, 5s. to £4, 10s. per ton; and, as long as they continued, their influence was most baneful to the sugar industry of the West Indies. Eventually, in March 1902, it was mutually agreed by the principal sugar-producing states to abolish the bounties; and thus an equal opportunity in British markets was given to the West Indian producer, and confidence restored in the industry. During the last few years there has been a gratifying sign of improve-

ment in West Indian conditions. Sir Charles Lucas has happily remarked that while the eighteenth century saw the greatness of the West Indies, the nineteenth their distress, the twentieth century he hoped would witness their regeneration. The latter in part is coming true; for Lord Crewe, the Colonial Secretary, was in a position to announce twelve months ago "that no West Indian colony is now in receipt of grants-in-aid." It is also satisfactory to learn that all the colonies have been able to put aside substantial sums to form a reserve fund to meet any emergency that may arise without appealing for outside assistance. A further proof of the improved conditions of the West Indies is the fact that the Savings Bank deposits have increased by 80 per cent. since 1894.

The West Indies cover a total area of 109,836 square miles, or only a little less than that of the British Isles. British Guiana is at once the largest and most valuable of the West Indian colonies. Its capabilities of development are practically unlimited. British Honduras is about the size of Wales, but at present only about 80 square miles are actually under cultivation. Apart from the sparse population, the possibilities of rapid and profitable development in this colony are very considerable. Jamaica (4207 square miles) and Trinidad (1754 square miles) are flourishing colonies with a steadily growing prosperity. Barbados, although not much larger than the Isle of Wight, has almost every acre under cultivation and maintains a population of nearly 200,000. The Windward and Leeward Islands produce abundant crops of cacao, limes, sugar and molasses,—with a total trade of over £2,500,000 sterling.

Future progress in the West Indies will depend, not only on the improvement of the industries already

existing, but on the fuller utilisation of the extensive areas of cultivable lands still waiting development. Speaking generally, in the larger colonies of Jamaica, British Honduras, British Guiana, and Trinidad, it is estimated there are 25,000,000 acres of cultivable land still unoccupied. Of these 5,000,000 acres are in private hands, and 20,000,000 are Crown lands. The area actually occupied, or now utilised, is probably only about 20 per cent. of the total area suitable for cultivation. It is evident, therefore, that there is plenty of room for the further extension of all kinds of industries in the West Indies. In the smaller islands most of the best land is already under cultivation. Even in these, a good deal might be done by "grading up" and establishing a more intensive system of agriculture. The undeveloped areas are the interior lands of Jamaica, British Honduras, British Guiana, and Trinidad. In British Guiana there are over 3,000,000 acres of savannahs in the interior suitable for ranching purposes, and 11,000,000 acres of "easily accessible lands" suitable for arable and pastoral purposes in river valleys and elsewhere up to the first cataracts. Large tracts in such localities will no doubt be found suitable for the cultivation of rubber, limes, and practically all the products of the tropics. Further, in the interior of British Guiana there is an enormous supply of water-power absolutely running to waste. The Kaietur Fall on the Potaro River is of a perpendicular height of 741 feet, or nearly five times the height of Niagara.

In British Honduras there are about 2,300,000 acres of Crown lands, most of which, though admirably adapted for agricultural purposes, is at present rather difficult of access, rendering the construction of roads or the clearing of rivers essential before the land can

be properly taken up and placed under cultivation. This is also more or less true of the interior lands in the other colonies. Over 200,000 acres of Crown lands have been sold in Jamaica, Trinidad, British Guiana, in recent years. Crown lands in British Guiana and British Honduras are usually sold at about 1 dollar (4s. 2d.) per acre. Grants of land in excess of 500 acres are made in British Guiana, at the discretion of the Governor, under special conditions, in cases where the applicants can advance satisfactory proof as to the capital to be invested, or their ability to beneficially occupy the land. The prices of Crown lands in the other colonies are: Jamaica, St. Lucia, and St. Vincent, £1 per acre; Trinidad, 10s. per acre and upwards, with special terms for lots of 100 acres; Dominica, about 10s. per acre.

The total population of the British West Indies is estimated at 2,300,000. Besides British, and a sprinkling of other Europeans and a few Americans, who own estates and are engaged in commerce, the labouring population, for the most part, is composed of negroes and East Indians. In British Guiana and Trinidad, East Indian coolies supply the chief labour on sugar estates and on some of the cacao estates in Trinidad, and to a small extent on banana plantations in Jamaica. The Windward and Leeward Islands are fairly well supplied with negro labour, while Barbados has a population at the rate of 1100 to the square mile. Latterly, about 18,000 to 20,000 labourers from Barbados have obtained employment on the Panama Canal. The Governor reports that in 1909, £66,272 was remitted by labourers to relations in the island. In addition, 1552 returned emigrants brought with them £14,480, making a total of £80,956 in a single year. A recent committee on "Emigration from India

to the Crown Colonies and Protectorates " has reported in favour of the continuance of coolie immigration from India to the West Indian colonies, so that the question of labour need not prove an insurmountable obstacle in the further development of the West Indies.

In spite of the many disadvantages under which the West Indian colonies have been labouring, the volume of trade cannot be regarded as a negligible quantity.

Taking the figures so far available the trade shows distinct advance in recent years ; and it only requires a continuance of the policy which has been lately adopted towards them to ensure steady and substantial progress in all branches of industry.

If we take the West Indies in the larger sense, and include British Honduras, Bahamas, and Bermuda, the value of the total trade, including imports and exports, in 1908-9 was £20,004,075, as compared with £22,339,634 in the year 1907-8. In the year 1908-9 Great Britain's share of the trade was £6,867,846 ; that of British possessions, including Canada, was £3,605,835, making a total of £10,473,681 for Great Britain and British possessions, as against £10,152,933 for all foreign countries. The share of the Mother Country was 34 per cent. and of British possessions 17.5 per cent., leaving 48.5 per cent. for all foreign countries. If, however, we take the British exports to the West Indies we find that Great Britain enjoys the greatest advantage. With the strong sentiment that exists in favour of British goods when they are suited to local conditions and readily obtainable at reasonable prices, there should be no difficulty in maintaining the present position ; but if, as anticipated, there be a large increase in the prosperity

of the West Indies in the near future, they should become still better customers to the United Kingdom.

A brief reference to the position in the larger colonies may be of interest. At Jamaica, in 1908-9, of the imports of £2,420,335, the United Kingdom furnished 41.5 per cent. and the United States 46.9 per cent.; on the other hand, of the exports, amounting to £2,268,254, the United Kingdom took 21.5 per cent. and the United States 57.8 per cent. At British Guiana, of the imports of £1,784,574, 53.15 per cent. were obtained from the United Kingdom, and 28.50 per cent. from the United States. Of the exports, amounting to £1,920,661, the United Kingdom took 43.94 per cent., while only 11.33 per cent. was taken by the United States, and 38.96 per cent. by Canada. At Trinidad, of the imports of £2,682,702, 36.26 per cent. was received from the United Kingdom, and 29.30 per cent. from the United States; of the exports, amounting to £2,500,195, the largest share, amounting to £923,851, was taken by the United States, while the United Kingdom took £444,424, British Colonies took £318,888, and Venezuela £154,830. Of the Barbados imports, amounting to £1,325,000, 41 per cent. were received from the United Kingdom and 34 per cent. from the United States. Of the exports, the larger share of the sugar crop, amounting in value to £164,293, was taken by Canada, and sugar to the value of £66,910 by the United Kingdom, and of the value of £16,639 by the United States.

Speaking generally, we may conclude that the West Indies draw their main supplies of foodstuffs, flour, &c., lumber, and fish, from the United States and Canada, and their manufactured articles and drinks from the United Kingdom and the United States. Bacon and ham of the best quality are imported from

the United Kingdom ; also tea and condensed milk. The United Kingdom is well to the front in cotton and linen manufactures, fancy goods and silk manufactures, common soaps, spirits and wines, ales and beer. In a number of articles, such as cordage, rubber goods, glass bottles, hardware, cutlery, jewellery and bicycles, the United States are becoming formidable rivals to this country. It is interesting to note that, in spite of the change of market for many classes of goods, the West Indian sugar planters continue loyal to the Mother Country for the machinery required for their factories. Every advance in the better equipment of their factories shows that the United Kingdom is foremost with its manufactures of iron and steel goods. The total value of the jewellery, hardware and cutlery, iron and steel, tubes and pipes, machinery, steam-engines and locomotives, railway and tram materials imported to the West Indian colonies cannot be less than about £810,000 annually.

Since a large proportion of the sugar and molasses is shipped to Canada, there is a considerable increase in the direct importation of foodstuffs, especially flour, from the Dominion. For instance, in 1906-7 the imports of flour from Canada to British Guiana was of the value of £11,800. In 1909-10 they had increased to a value of £42,819. If reciprocal trade is established between Canada and the West Indies, together with better steam communication and telegraphic service, there is little doubt that the total trade between the two countries will assume large proportions. As the West Indies will in any case grant identical privileges to imports from the United Kingdom, an increase of trade with Canada need not necessarily prove prejudicial to the trade in

manufactured and other goods with the Mother Country.

The several colonies in the West Indies, in order of total trade in 1908-9, may be conveniently arranged in three groups. The first group would consist of—

Trinidad	.	.	.	.	£5,182,897
Jamaica	.	.	.	.	4,688,589
British Guiana	.	.	.	.	3,526,139

The second group of—

Barbados	.	.	.	.	£2,174,046
Windward Islands	.	.	.	.	1,396,270
Leeward Islands	.	.	.	.	1,064,217

The third group of—

British Honduras	.	.	.	.	£975,704
Bermuda	.	.	.	.	551,194
Bahamas	.	.	.	.	545,019

The West Indies are almost entirely dependent on agriculture as the basis of their prosperity. Sugar is the staple product of British Guiana, Barbados, St. Lucia, Antigua, and St. Kitts. It furnishes 12.6 per cent. of the exports of Jamaica, and 24 per cent. of the exports of Trinidad. Little or no sugar is exported from Dominica, Grenada, or Montserrat. The Royal Commission of 1897 pointed out the danger of dependence on a single industry, and strongly recommended that efforts be made to develop other industries suitable to the soil and climate. The result of this policy is shown by the fact that while the total exports of the West Indian colonies have increased from £5,625,000 to £7,195,360, the exports of the product of the sugar-

cane (sugar, rum, and molasses) have declined from £3,243,000 to £3,037,660. On the other hand, the exports of other commodities, such as cacao, fruit, cotton, logwood extract, rice, coco-nuts, tobacco and cigars and rubber, have increased from £1,382,000 to £4,157,700. In the case of Jamaica, the change has been a remarkable one. Thirty years ago the sugar exported was of the value of over £1,000,000, while fruit reached the value of only £140,000. At present the value of the exports of sugar have declined to £300,000, while the fruit has reached a total value of £1,506,869. While due attention will be devoted to other industries, it is probable that owing to the confidence resulting from the Brussels Convention, and the favourable market existing in Canada, the production of sugar will steadily increase. The conditions are exceptionally favourable also for sugar in several of the other colonies ; and, provided scientific methods are adopted in the cultivation as well as in the manufacture of the sugar, the West Indies should be able to hold their own with any part of the world. The annual sugar production is about 240,000 tons, of the value of £3,000,000. British Guiana produces about 110,000 tons, or nearly one-half of the total production of the West Indies. A large proportion of the sugar is exported in the form of grey or dark crystals for refinery purposes. About 40,000 tons consist of fancy sugars, known as yellow or Demerara crystals, which go into direct consumption. The remainder, chiefly exported from Jamaica, Barbados, Antigua, and St. Kitts, the result of boiling in open pans, is known as muscovado or raw brown sugar. Where muscovado sugar is produced, the molasses, or drainings from the sugar, are utilised for the distillation of rum, as in Jamaica, or are shipped for consumption by lumber-

men and fishermen in Canada and Newfoundland. Rum is largely manufactured in Jamaica and British Guiana. The annual value of the exports is—Jamaica, £200,000; and British Guiana, £180,000. A cattle food, known as Molascuit, prepared from the fine fibre of the sugar-cane mixed with molasses, is exported from British Guiana. Large and well-equipped sugar factories are general in British Guiana, Trinidad, and St. Lucia. Several are to be found in Jamaica; one has been in successful operation for some years at Antigua, and a similar one is now in course of being established at St. Kitts. At the Antigua factory, out of 6000 tons of sugar shipped in 1906, 2500 tons represented the increase due to improved methods of manufacture, as compared with the muscovado system hitherto in use. This represents a gain of 40 per cent.

The production of cacao is next in importance to that of sugar. During recent years the exports have increased from 32,700,000 lbs. to 67,670,000 lbs., an increase of over 100 per cent. In 1908 Trinidad produced 49,000,000 lbs.; Grenada, 11,000,000 lbs.; Jamaica, 6,000,000 lbs.; Dominica and St. Lucia about 1,500,000 lbs. each. Some cacao is also produced in British Guiana (60,000 lbs.) and British Honduras (50,000 lbs.). The possibilities of extending the cultivation of cacao in Jamaica, British Honduras, British Guiana, and Trinidad are regarded as very favourable. Cacao is probably the most remunerative of all crops in the West Indies.

Fine Blue Mountain coffee is produced in Jamaica. The total exports of high and low coffee are of the annual value of £120,000. Tea of fair quality is being grown on a plantation of about 100 acres in the parish of St. Ann's. This is the only tea planta-

tion existing in the western tropics. After meeting local demands, some of the tea finds its way into the London market.

The fruit industry in Jamaica continues to develop, and, including coco-nuts, the value in 1909 was £1,506,869. The chief trade in bananas (16,000,000 bunches) is with the United States. In recent years a trade in bananas has also been established between Jamaica and the United Kingdom with good promise of success. A small quantity of fruit (bananas and oranges) is exported by the Royal Mail steamers from Trinidad. The value in 1909 was £16,081, or including coco-nuts, £73,365. Fresh lemons are exported from Dominica of the value of £10,000. Other lime products, such as raw or concentrated lime juice, essential and distilled oil of limes, pickled limes, and citrate of lime, are exported from Dominica to the value of £47,678. The value of limes and lime products exported from Montserrat is £7864.¹

The new sea-island cotton industry was introduced into the West Indies by the Imperial Department of Agriculture in 1903. In 1908 the total area under cultivation was 24,000 acres. In later years the area has slightly decreased. The total exports (including a small quantity of short stapled cotton from Carriacou) during the years 1903-9 have amounted to 15,000,000 lbs., of the value of £800,000. It has been acknowledged that, if this fine long-stapled cotton had not been obtained in appreciable quantity from the West Indies, several of the fine spinning cotton mills in Lancashire would have been compelled to

¹ A syndicate formed to produce citrate of lime on a large scale is establishing lime plantations in British Guiana on a concession of 2000 acres. The shipments in 1909-10 amounted to 7683 lbs., of the value of £205.

work short time. This is an instance of the value of encouraging agricultural industries in our colonies.

The development of rice-growing in British Guiana has added another new industry to the West Indies. The cultivation of rice is almost entirely in the hands of East Indian coolies who brought with them the cultural methods in vogue in India. The total area under rice cultivation is about 37,000 acres, with a total output of 37,880 tons of clean rice. While the larger portion of the rice is consumed locally, an export trade has already been started. The dimensions of the industry may be realised from the fact that, while in 1895 British Guiana imported cargoes of rice amounting to 34,000,000 lbs., of the value of £142,000, the importations in 1909 were only 1,130,000 lbs., of the value of £7000. On the other hand British Guiana in 1909 exported 12,294,815 lbs. of rice, of the value of £75,000, to the other West Indian colonies. The rice is reported to be of excellent quality; and there is no reason why British Guiana should not eventually supply all the rice consumed in that part of the world. Rice-meal of the value of £3614 was also exported.

The cultivation of rubber is receiving close attention in British Honduras, where the Central American rubber tree (*Castilloa*) is found wild. Both this and the Para rubber tree are being established on a commercial scale. Sapodilla or chicle gum is a forest product of British Honduras. The exports in some years have reached 1,790,865 lbs. In the forests of British Guiana there are several indigenous rubber trees. The more promising is *Sapium Jennani*. The exports of rubber in 1909-10 were 6369 lbs., of the value of £650. There are several experiment rubber stations being maintained by the Government, and large quantities of plants are available for distribution.

Concessions of Crown lands have been granted to several public companies formed during the past three years. Rubber trees are being cultivated on portions of several cacao plantations in Trinidad and Tobago, and rubber has begun to appear among the exports. The value of recent shipments has amounted to £1600. It is recognised that in the colonies above named, where extensive areas of forest lands are available, there are exceptionally favourable openings for establishing rubber plantations. The Para rubber tree, in some localities, appears to thrive even better than the indigenous trees. Seeds of the former are being imported in large quantities from Ceylon, Singapore, and the Federated Malay States.

Increased interest is being taken in tobacco-growing in the West Indies, and especially in Jamaica. Fine, first-class tobacco is produced in the latter island, and Jamaica cigars are now included amongst the fine brands. Probably the best cigars produced within the British Empire come from Jamaica. The value of the exports in 1908 was £33,456. Arrowroot is one of the chief industries of St. Vincent, with exports of the value of £25,555. The production of coco-nuts have already been referred to; the total exports amount to about 60,000,000 nuts, of the value of £120,000. There are extensive areas available for the cultivation of coco-nuts in British Honduras, British Guiana, Trinidad, and Jamaica. Owing to the demand for the nuts for making vegetable butter, for confectionery purposes in a desiccated form, and for yielding oil, the industry is regarded as one of the most promising in the tropics. Dye-woods, such as fustic and logwood, are produced in Jamaica and British Honduras. Fustic was exported from Jamaica in 1905 to the value of £10,551, and logwood to the

value of £79,000. In addition, a preparation known as logwood extract was exported from Jamaica to the value of £114,460. Logwood was exported from British Honduras to the value of £23,352. Among spices Grenada exports nutmegs and mace of the value of £33,000, and Jamaica exports all-spice or Jamaica pepper of the value (in 1908) of £143,623. Ginger is another of the minor industries of Jamaica. The exports in 1909 were of the value of £43,581. The pods of the tamarind tree, which yield a refreshing and laxative pulp when preserved in syrup, are exported from Barbados and Antigua to the value of £2774.

Although the dreams of Sir Walter Raleigh and the Eldorado of the Ancients have not been realised, there can be no doubt as to the existence of gold and diamonds in the Guiana regions of South America. The first attempt to start a gold industry in British Guiana was in 1863; but the first appreciable shipment did not take place until 1884. This consisted of 250 oz. Since then the export of gold increased, until it reached its highest point of production of 138,528 oz. in 1894. In the following year the shipment was slightly less, namely, 135,028 oz. of the value of £500,046. In recent years the shipments have steadily declined. In 1908 they were 74,588 oz., of the value of £273,263. The largest nugget met with weighed 333 oz. Until 1890 all the gold was obtained from alluvial deposits. Subsequently the outcrops of gold-bearing quartz were discovered on the Demerara and Barima rivers. Three companies are now engaged in quartz mining. According to Mr. F. Fowler, the Commissioner of Lands and Mines, "large and valuable reefs have been recently opened up, and the prospects of mining are more

promising." Dredging operations have recently given more satisfactory results than mining on the Konawarak and its tributary the Minnee-ha-ha Creek.

Diamonds were discovered in the Upper Mazaruni River in 1890. In later years a large number of stones have been found, but all of small size, "the average being ten to fifteen to the carat." Owing to the excessive cost of transport to and from the distant diamond fields, the industry has not been extended. The maximum yield of 10,949 carats, of the value of £20,356, was obtained in 1903. In 1909 the yield was 5063 carats, of the value of £8486.

The possibilities of the exploration of oil fields in Trinidad and Barbados are distinctly promising. Although at present probably 96 per cent. of the oil production of the world is obtained from foreign countries, there are indications that Burma, Egypt, and the West Indies may produce in the near future an appreciable quantity of oil. As a manifestation of petroleum the famous Pitch Lake of Trinidad has been long known. It is a unique deposit of asphalt, with an area of 127 acres and an estimated capacity of not less than 10,000,000 tons. About 1,500,000 tons have already been removed for use for paving streets in London and New York. On this, in recent years, the Government of Trinidad has received royalties amounting to £400,000. Another product of petroleum is "manjack," a solid friable bitumen occurring in veins. This mineral has been derived from heavy petroleum traversing fissures in clay leaving only a solid mass.¹ The Trinidad oil-fields occur in the

¹ Manjack was exported from Trinidad in 1907 and 1908 of the value of £5000. The manjack shipped from Barbados is reported to be of superior quality.

southern portion of the island in tertiary strata which reach a total estimated thickness of from 6000 to 7000 feet. According to Mr. A. Beeby Thompson: "The operations of the Trinidad Petroleum Company at Guapo and of the New Trinidad Lake Asphalt Company at La Brea have conclusively proved that petroleum exists in commercial quantities. In both cases wells, carried to no considerable depth, flowed unaided, and great quantities of gas were given off. Besides the above localities, oil has been struck in wells in the Williamsville district and at Aripiero, near La Brea. There is consequently practical proof that oil is widely distributed and not confined to a few localities." Mr. Thompson continues: "The quality of Trinidad oil varies. Developments seem to indicate that oils from the Galeota sands of the southern anticline will prove to be of the highest grade generally, and yield a large proportion of benzine and illuminating oil. The oils of the Rio Blanco horizon appear to be of a more dense type, less rich in light products, and to be essentially fuel-producing oils, although they do yield a remarkably light distillate, considering their high density."

The presence of petroleum, or "green tar," has been observed at Barbados from the earliest times. It has been used for domestic and medicinal purposes. "There is no doubt," says Mr. Beeby Thompson, "of the existence of high-grade petroleum at Barbados, as the oil beds may be observed outcropping at many places in the Scotland district, and small productions have been obtained from drilled wells. It is probable that if less disturbed strata were penetrated beneath the coral which conceals the tertiary beds everywhere except in the Scotland district, remunerative productions might be

obtained. The indications] certainly justify more extended exploration."

A Royal Commission was appointed in 1897 (with General Sir Henry Norman as Chairman) to inquire into the condition and prospects of the West Indian sugar colonies, and to recommend "such means as would appear best calculated to restore and maintain the prosperity of those colonies and their inhabitants." The Commissioners recorded as their opinion that the depressed condition of the West Indies was due "in especial degree to the competition of beet sugar produced under a system of bounties," and that the best remedy "would be the abandonment of the bounty system." In the meanwhile they recommended certain measures, such as improved steam communication and the organisation of a Department of Agriculture, to assist the sugar industry and encourage other industries where the conditions were favourable. These recommendations were adopted. Subsidies were provided for lines of steamers communicating between Canada and the West Indies, and for a direct line of fruit steamers between Jamaica and the United Kingdom. Further, on the motion of Mr. Chamberlain, funds were voted by Parliament in 1898 to provide for the formation of an Imperial Department of Agriculture. The amount expended on this Department has been at the rate of £17,400 per annum. The head of the Department, the Imperial Commissioner of Agriculture for the West Indies, established his headquarters and those of his staff, together with the central library and laboratories, at Barbados, as the more convenient point from which to visit the other colonies. A fairly full account of the operations of the Department and of the results

were given in a paper read before the Royal Colonial Institute in January last. As the first of a series of Scientific Agricultural Departments established in the tropics, a few words may not inappropriately be included here. The duties entrusted to the Department were the general improvement of the sugar industry, and the encouragement of a system of subsidiary industries in localities where sugar could not be grown, or where the conditions were more favourable for the production of cacao, coffee, bananas, oranges, limes, cotton, rubber, coco-nuts, sisal-hemp, rice, nutmegs, pineapples, and other crops.

As it was realised that substantial progress was impossible until the mass of the people was brought into sympathy and trained to regard the successful treatment of crops as the basis on which to build the general prosperity of the colonies, a prominent position was given to teaching the principles of elementary science and agriculture both in the primary and secondary schools. Associated with this policy was the increased attention devoted to object-lessons, the encouragement of growing specimen plants in pots and boxes, and the establishment of school gardens. Arbor days for the public planting of ornamental and other trees were also organised and assisted by the Department.

The results of the sugar experiments carried on by the Department have proved of great service to the planting community in the West Indies; and they have also been shared in by other countries, such as the Southern United States, Australia, Natal, and Mauritius. It is estimated that fully one-half of the canes now cultivated in the West Indies are new canes yielding mean results ranging from 10 to 25 per cent. higher than the older varieties.

At a recent West Indian conference, Mr. Bovell, who has been in charge of the sugar-cane experiments at Barbados since 1898, stated "that more profit was derived from the introduction of new seedling canes on one estate in Demerara than would cover the whole cost of the experiments at Barbados over a period of twenty-six years."

Another striking testimony to the value of the new canes introduced by the Department into the Leeward Islands was given by Dr. Watts, now Imperial Commissioner of Agriculture, as follows: "If we take the exports of sugar from Antigua and St. Kitts at approximately 25,000 tons worth £200,000, and assume that the industry has only been benefited to the extent of 10 per cent., this would give an approximation of £20,000 a year as the value of the introduction of new varieties of canes into the two islands named—a sum in excess of that spent in maintaining the Imperial Department in its entirety." In connection with the experiments with sugar-canes, an interesting instance of the value of science for practical purposes was brought out in the case of a destructive pest known as the moth-borer. For two hundred years this had caused immense damage on sugar estates, but where and how it laid its eggs and started its attacks had never been ascertained. A young entomologist from Cambridge (Mr. Maxwell Lefroy) was entrusted with the investigation; and, after an inquiry extending over less than a year, he not only discovered the eggs of the moth laid on the back of the leaf of the sugar-cane, where they had escaped notice, but he also found a friendly parasite that could be utilised to keep the pest in check, and enable the planters to save a considerable portion, if not all, of the heavy annual loss hitherto sustained by them. This is one of many

services rendered by the scientific officers of the Department to the industries of the West Indies.

As already stated, the cacao industry is, next to sugar, the most important of any in the West Indies. The diseases affecting cacao trees have received careful attention, and planters have been kept fully informed as to their character and the treatment likely to produce the best results. Experiments have also been carried on in selecting, pruning, and manuring cacao trees.

After the introduction of the sea-island cotton industry in 1903, the scientific officers have been engaged in experiments with the view of improving the yield and quality of the staple, and in assisting the cultivators to deal with the fungoid and insect diseases to which cotton is specially liable. The recent Royal Commission expressed the opinion that "the great extension in recent years of the cultivation of cotton in the West Indies is very largely due to the efforts of the Department, who took special pains to supply at cost price large quantities of seed of the best variety of sea-island cotton. Three fully-equipped cotton-ginning factories were erected and worked under the auspices of the Department in St. Vincent, Antigua, and Barbados. The factories at Antigua and Barbados are now run on co-operative lines."

The cultivation of tobacco, limes and rubber have also been encouraged and improved, and large quantities of plants—amounting to 1,380,000—have been distributed from the botanic and experiment stations to cultivators in order to establish new plantations.

Possibly in no direction have the efforts of the Department been more successful than in encouraging a system of agricultural education among all

classes of the community. As a first step in this direction all teachers in charge of elementary schools were taken through successive courses of lectures and demonstrations in agriculture. They were further supplied with school readers and a text-book of Nature Teaching specially prepared for use in the tropics. Agricultural training schools for boys of the better peasant class, owning land, were established at St. Vincent, St. Lucia, and Dominica; and about seventy students trained at these schools have already obtained employment on estates, or are otherwise engaged in agricultural work. A further stage was the teaching of science and agriculture in the secondary schools and colleges for educating those who might later become owners and managers of sugar, cacao, lime, or rubber plantations, and chemists and experts for employment in the local Departments of Agriculture. It is acknowledged "that there is no other organisation in any part of the tropics where such diversified scientific work is carried on over so large an area, and under such varying conditions of soil and climate." A gratifying proof of the value of the work of the Imperial Department of Agriculture is the formation of a series of similar departments in India, the Federated Malay States, British East Africa, the Gold Coast, Southern Nigeria, as well as of local Departments of Agriculture in British Guiana, Jamaica, and Trinidad. It is interesting to note that two officers trained in the West Indies (one of them Mr. Maxwell Lefroy) are attached to the Imperial Department of Agriculture in India, two (the Director and Mycologist) attached to the Agricultural Department in the Federated Malay States, one in British East Africa, one in Fiji, and three in the Indian Provincial Departments of Agriculture. In a recent article in the *Standard* it was

recommended that the new Agricultural Department in Egypt should also follow "on the lines of the Imperial Department in the West Indies."

The most recent testimony to the success of the efforts of the Department is contained in the Report of the Royal Commission on Trade Relations between Canada and the West Indies. One of the Commissioners, Lord Islington, before his departure to take up the duties of Governor of New Zealand, wrote as follows :—

"I was deeply impressed during our visit to the West Indies by the value of the work done in the past by this Department, and by the greatness of the possibilities which still lay before it. The revival of the cotton industry and consequent restoration of comparative prosperity to some of the smaller islands ; experiments with the sugar-cane ; the discovery and destruction of insect pests,—these were in themselves great achievements. In my opinion, however, an even more valuable work has been done in diminishing the prejudices of agriculturists and inducing them to try new methods and in inculcating the value of science and co-operation. . . . The most successful fruit of the Report of the Commission of 1897 has been the work of the Imperial Department of Agriculture which has beyond doubt saved the Home Government from appeals which could not wholly be rejected, and would have cost more than the total outlay on the Department."

In the recent Report the Commissioners express the opinion "that the Department has been of enormous practical utility to the West Indian colonies, and has had a large share in the gratifying improvement in the condition of the colonies which has recently been apparent. . . . We consider it of the highest import-

ance that the Imperial Government should continue for some years to come to maintain the Central Office of the Department."

As has been recently announced, the strong recommendation of the Royal Commission in this respect has received careful consideration ; and the Imperial Government has agreed in principle to continue the maintenance of the Central Office of the Department for a further period of ten years. This will enable the Department to continue to co-ordinate the work of scientific agriculture in the West Indies, to carry on investigations in directions not hitherto possible, and still further afford assistance in developing the resources of the colonies. The Department, by means of its researches and scientific technical publications, which are in demand everywhere in the tropics, will continue to maintain its position as the leading central school of tropical agriculture.

The Canadian trade preference granted to the Mother Country was extended to the West Indies in 1898. The Canadian Government recognised the large opportunity that existed for the development of trade between Canada and the West Indies, whom they regarded by ties of kinship and geographical position as the natural customers of the Dominion. The West Indies were at the time suffering from a severe depression and had lost heart ; so much so that their condition was a matter of serious concern to the people of the colonies, and a grave problem for consideration by the Imperial Government. Mr. Fielding, then, as now, Minister of Finance, claimed that Canada had some responsibilities in the matter ; he stated that the Canadian Government, having the desire to assist His Majesty's Government in dealing

with these problems, had decided to extend the preferential tariff to the West Indies without demanding any concession in return. The effect of the preference was, however, not immediately realised. There was still a favourable market for West Indian sugar in the United States; but in 1903 a considerable change took place. The adoption of the Brussels Convention led to the abolition of bounties on European beet sugar, and to its admission into the United States free of the countervailing duty hitherto imposed upon it. The West Indian sugar thereby lost its favoured market in the States, and it was able to take full advantage of the Canadian preference. Another factor still further improved the prospects in Canada. This was the imposition of a surtax on sugar and other goods imported from Germany. As the result, beet sugar of the value, in some years, of £600,000, imported from Germany, was almost entirely shut out from the Canadian market. The effect of these changes were soon shown in the statistics of the sugar imported into Canada. The importations from the West Indies in 1897 did not exceed 11,000 tons; in 1903 they reached 50,000 tons; but in the year 1909 they had reached a total of 133,000 tons, of the value of £756,206, or about 60 per cent. of the total production of the West Indian colonies. A Royal Commission (of which Lord Balfour of Burleigh was Chairman) was appointed in 1909 to inquire into the "Trade Relations between Canada and the West Indies"; and its report was presented in September last. The Commissioners, after careful consideration of all the facts placed before them in Canada and the West Indies, expressed the opinion that the preferential policy initiated by the Canadian Government has been of undoubted benefit to the West Indian

producer of sugar ; taking one year with another the latter has received from "a third to a half of the preference, or approximately from nine shillings to fourteen shillings per ton above the price which he would have been able to obtain without the preference." On the other hand, the Commissioners held that the Canadian refiner had also benefited, since "it created in a large body of producers an interest in selling to him," and to a great extent it relieved him from the necessity of competing for his supplies in other markets. "It also by reducing duties probably stimulated consumption and improved his business." Naturally the question of the continuance of the Canadian preference has received attention both in the West Indies and Canada. It is admitted as the result of the preference that the Canadian market has become of great importance to the sugar-growers in the West Indies. The grant of the preference was part of the Imperial policy of the Dominion Government, which neither demanded concessions in return nor even questioned whether the tariff systems in force in the West Indies imposed any burden on the trade of Canada. It is evident that, from the point of view of the Dominion, the existing position is by no means satisfactory. The Canadian Government gave the preference freely, and they would be justified in withdrawing it if it suited their policy to do so. The Commissioners represent "that if this contingency can be avoided, or even deferred, by some present concessions on the part of the West Indian colonies, that concession ought to be made." It was eventually agreed by the Commissioners to recommend that the West Indian colonies should reciprocate by establishing a uniform preference of 20 per cent. to be given on certain goods coming

direct from Canada, on condition of the grant of a similar preference of 20 per cent. being given on certain goods landed from the West Indies. It was understood that any trade advantages given by the West Indies to Canada should also be conceded to the same products coming direct from the Mother Country. The final decision as to establishing a mutual preference of 20 per cent. between Canada and the West Indies is now under consideration by the several colonies.

A matter of some importance brought before the Commission was the possible attitude of the United States in the event of the West Indies entering into preferential relations with Canada. After full and careful inquiry the Commissioners were satisfied that "it may be regarded as a settled principle that trade arrangements between parts of the British Empire are to be considered matters of a domestic character which cannot be regarded as discriminatory by any foreign power." The United States did not treat the Canadian preferential tariff as an undue discrimination, and "it follows that the granting of a preference by the West Indies to any part of the British Empire could not be so regarded. This is the logical conclusion to be drawn from the fiscal arrangements of other powers, including the United States themselves, with different parts of their own tropical possessions."

I have elsewhere referred to the results that may follow from the opening of the Panama Canal. It will establish entirely new lines of communication for trade, and lead to a considerable change in the relations of the United Kingdom and the West Indies to other parts of the world. The canal, according to

Captain Mahan, "will change the Caribbean Sea from a terminus and a place of local traffic, or at the best a broken and imperfect line of travel as it is now, into one of the great highways of the world." The islands must grow in strategical and commercial importance. They will lie astride a world's highway, and form a convenient half-way house between Europe and the Pacific Coasts of North and South America and Asia, including not only our own possessions in Australasia and the East, but also the great Pacific ports of China, Japan, and Russia. If the opening of the canal will lead to such momentous changes as are anticipated, the people of this country should be prepared to take full advantage of the altered state of things. In the result we may expect that the West Indies will again prove of great value to the Mother Country, and coal-ing stations and docks will be established, and people and capital will flow out to them.

In the course of my remarks there is more than one reference to the valuable services rendered to the West Indies by Birmingham's most distinguished citizen, Mr. Chamberlain. In 1896 he appointed a Royal Commission to visit the West Indies in order to give a full and faithful account of their condition and prospects. He at once realised their critical position, and eventually brought about the abolition of the continental sugar bounties, which gave a fair market to the producer of West Indian sugar in this country. He also called into existence the Imperial Department of Agriculture, which a later Royal Commission has declared to have "done excellent work" and proved of "enormous practical utility to the West Indies and had a large share in the gratifying improvement in the condition of the Colonies," with the

result that the West Indies, as I have shown, are full of hope, and their financial position is better than it has been at any time during the last fifty years. It is no exaggeration to say that Mr. Chamberlain has won a place for himself in the hearts and minds of the West Indian people—a place occupied by none of his predecessors at the Colonial Office. It will, I hope, be a source of sincere gratification to him to find that his statesmanlike efforts have proved so beneficial to the oldest and still the most interesting portion of His Majesty's possessions.

In discussing the future of the West Indian colonies, reference is frequently made to the desirability of the scattered communities in the West Indies being drawn closer together in order to advance their common interests. In a speech delivered at a banquet given by the West India Committee in 1909, Lord Crewe said :—

“We all know the old fable of the bundle of sticks ; and it undoubtedly has been a source of weakness to the West Indian group, considered as a whole, that in many matters they have not always been able to see with the same eye and to act absolutely together. The more closely they come together in such matters as these, the more powerful and convincing their position will be.”

The *Times* of May 24, 1910, had an important article on the same subject. The following is a brief extract :—

“All the interests of the West Indies point in the direction of their closer co-operation. That their ultimate goal is to be welded together into one integral portion of the Empire seems certain. That goal may be far off ; though the present writer is

inclined to go at least half-way with the enthusiasts who declare that it is very near if a serious effort be made to reach it. In any event, it is a goal which should never be lost sight of, and nothing should be neglected which will help to make its attainment easier. It is a matter in which the Press of the colonies can do much, by helping on all discussion, whether in formal conference or otherwise, of any measure, however partial, which tends in the right direction, always bearing in mind that a partial measure is only partial, and that the real end in view is, sooner or later, complete federation. Every increase in sympathy between the colonies, any approach to joint action, makes them stronger and the Empire stronger. It is not by treading each its own little narrow path, as in the past, that the West Indies can reach their largest development, for disunion never yet spelt strength, either in politics or commerce. On the other hand, the West Indian Commonwealth, with its 112,000 square miles of territory, its varied resources, and the charm of its climate and scenery, with (as could be anticipated on a moderate estimate), a decade hence, a population of 3,000,000, and a combined import and export trade of £30,000,000 sterling, would be no inconsiderable member of the Imperial sisterhood. It is a dream the converting of which into a reality is surely worth an effort."

NOTE ON THE OIL RESOURCES OF THE
WEST INDIES*Professor John Cadman*

THE existence of petroleum in certain parts of the West Indies has been known for the last hundred years, and frequent attempts have been made to discover the whereabouts of the oil. In Barbados, British Guiana, and Trinidad several experimental drillings have been put down from time to time, but not until recently has any real success been obtained. In Barbados the Hon. Arthur Ponsonby has been an ardent pioneer in the work of development. In Trinidad the same honour is due to Mr. Randolph Rust, who attempted to prove the potentiality of that field. The Trinidad Government took up the question and appointed a geological surveyor to examine and report upon the oil resources of the colony; and Mr. E. H. Cunningham Craig of the British Geological Survey was appointed to map the island. Excellent work was accomplished; and indeed Trinidad may be said to possess the first oilfield in which a scientific geological examination preceded the rule-of-thumb driller; and there is little doubt that Trinidad will reap the benefit of her enlightened policy.

The West Indian oilfields occur in the Tertiary rocks. In Trinidad some 6000 to 6500 feet are known to exist and contain many oil horizons, of which three distinct zones have already been located. For the conservation of petroleum three essential conditions must be present, namely, material from which the oil can be formed by chemical processes, strata of sufficient porosity to retain the oil, and impervious strata to seal up the oil. All these conditions are present in the Tertiary strata of Trinidad. Moreover, in order to concentrate the oil, suitable geological structure is essential. Earth movements have crumpled the rocks of Trinidad into

three distinct saddles or anticlines, in the ridges of which the supplies of petroleum are now being found. These anticlines run almost parallel to the southern coast of the island and stretch in the most northern direction from San Fernando to the east coast. Along the crests of these anticlines great oil shows are in abundant evidence, from seepages of petroleum, gas blowers, and mud volcanoes, to pitch exudations, the greatest of which is the world renowned pitch lake of La Brea.

Drilling is now actively in progress in no less than eight or nine localities by some nine or ten companies; and most promising results have already been obtained. Besides prospecting, drilling refineries are being constructed and large stores of oil are awaiting the completion of the refineries.

Such evidence speaks for itself; and, with the energy and enterprise now being devoted to Trinidad petroleum, the future of the mineral industry of the colony is assured.

In Barbados drilling has preceded the geological investigation; and although disappointing results have as yet been obtained, there is every prospect of a profitable and prolific oilfield being opened up. The Tertiary rocks are present, the oilsands are known to exist, and it only remains for the geologist to locate the positions where the structure is present to permit of the accumulation of this valuable product.

The great tracts of unexplored lands in British Guiana are now being examined; and considering the great extent of Tertiary strata in this colony, the likelihood of petroleum being obtained in paying quantity is very considerable.

CANADA

I. *W. L. Griffith*

THE criticism and foreboding indulged in by many persons in the British communities overseas at the expense of the conditions in the United Kingdom has at times during recent years been full, free, and emphatic. It is reassuring to know that the people of this country, in spite of all, yet pay an income tax based on profits which from industry alone amount to a sum of four hundred million pounds annually; and even this by no means represents the whole of the annual income of the United Kingdom. In the recent past I think it would be quite true to say that there was a feeling to some extent in the Dominion of Canada to the effect that the Old Country had reached the fulness of her might and must henceforth gradually decline into a second or third rate power; that the English commercial community was slow and unenterprising, dead to all that was going on in the modern world. Happily it can be said that this feeling was confined to those who had little actual experience of Great Britain or of its business men. The business men of Canada whose transactions brought them into direct contact with those of this country hold an entirely different view; and the community of interest set up by travel, by emigration, and by commerce during recent years has become so vast that the sentiment which I have referred to is

rapidly becoming a thing of the past. There may still exist a tendency in a few of your friends hailing from the remoter places in the Dominions beyond the seas to dwell upon the "colossal ignorance" of Englishmen as to the Dominion; but the strong sympathy for Canada shown on all hands in this country, and the wider knowledge which Canadians now possess concerning the greatness of the Old Country, are rapidly dissipating the little that remains. Canadians realise that in every branch of human effort the attainment of this noble country is great. This appreciation is growing rapidly. For instance, a generation ago Canadian medical men invariably proceeded to the United States for post-graduate studies. To-day the men of that profession in the Dominion make their way to this country in order to continue their research work, and we find that there is what practically amounts to a permanent colony of these gaining experience in the hospitals and other institutions of this country. If you approach them, as I have frequently done, with a view to eliciting their opinion of the medical profession of Great Britain, it will be found that the medical men of this country are held in the highest esteem by those of Canada; and you will probably be told that while they do not think that the Englishman is as showy or as theatrical as the scientific man of some other nationalities, yet for solid and sustained work in those branches of research little likely to receive lime-light the Englishman is incomparable. As it is in medicine, so Canadians know full well it is in other spheres, and it is realised that in all departments there are great numbers of men and women in the United Kingdom possessing such talent as falls only a little short of genius.

I suspect that the great chorus of criticism to which I have referred,—outpoured freely as it was upon the heads of your startled countrymen,—has in a measure exerted a beneficial influence upon the commercial enterprise of this country. I think that it may have caused the Englishman a period of introspection; he has taken stock; he has asked himself whether the criticisms from the Dominions overseas were merited or not. Honest self-examination is good for nations as well as individuals; and whatever opinion John Bull may have held as to the “form” of his budding relatives, he may yet have benefited by the precocious attitude of his offspring.

For my part I should be sorry to presume to advise the commercial man of this country as to what he ought or ought not to do in respect of Canadian business. My own view is that any openings for trade which may exist for him in Canada he may be fully depended upon to take advantage of. From my official chair I have good opportunities of observing the trend of affairs between this country and Canada, and it seems quite clear to me that all classes in Great Britain are fully alive to the many attractions of Canada, and are availing themselves to the full, so far as circumstances may permit, of the openings presented by the Dominion. Any statement to the contrary must surely be based upon an imperfect knowledge of what is going on.

In the short time at my disposal it will only be possible to deal in a very partial way with the subject of my paper,—the great Dominion of Canada; and in view of the great interest that the announcement of the proposed Reciprocity arrangement between the United States and Canada has aroused, I think that it will be of particular interest to this gathering to

recite in a brief and sketchy form some facts concerning the history of the Confederation of Canada which may be useful and interesting in the light of recent events.

But before proceeding to do this, I think it would be well to describe shortly some of the physical features of the great Dominion with which we propose to deal.

It is estimated that the area of British North America is but slightly less than that of the entire continent of Europe. The Dominion of Canada comprises almost one-third of the British Empire.

It will not be wise on this occasion to attempt to fully describe a country covering more than half the continent of North America, reaching from the latitude of Constantinople to the North Pole,—a land whose Atlantic coast-line, with its heavy indentations, measures 10,000 miles, and whose Pacific shore, studded with islands, and favoured with secure harbours and deep inlets, has a length almost as great,—a country where Indian corn, and even the luscious peach, are staple crops, and where vegetation of numberless species reaches with varying luxuriance right up to the Arctic Ocean. In the east we find one of the greatest forest regions in the world, with water powers such as exist nowhere else. Turning to Central Canada we find the great rolling prairies; and if we proceed still further west we find ourselves in a wonderful “Sea of Mountains” in British Columbia, compared with which the most mountainous country in Europe is of limited extent.

Some rough idea of the enormous area of Canada will be conveyed when it is said that it would make fourteen Austria-Hungaries; that it is eighteen times the size of France, and thirty-four times as great as Italy.

Perhaps the physical features which most strike one on looking at a map of Canada are the great St. Lawrence River and the enormous bodies of water by which it is fed. The St. Lawrence River and the Great Lakes together give an outlet to the Atlantic Ocean from the heart of the continent, a distance of some 2384 miles. It will help to convey an impression of the importance to Canada of this wonderful system of waterways if it is stated that it drains a territory with an area four times as large as the entire surface of the United Kingdom. Within that area is contained more than half of the fresh water of the globe ; and a greater volume of water is poured into the ocean by the St. Lawrence than by the Mississippi and Hudson Rivers combined. In addition to these wonderful watercourses, Canada is served by a fine system of canals.

To the west and south-west of Hudson Bay lie the great rolling prairies of Western Canada. The continental plateau upon which stretch the great plains of the Canadian North-West is made up of open prairie land, extending from the Red River Valley in Manitoba to the foothills of the Rocky Mountains, and from the International Boundary (latitude 49) to the North Saskatchewan Valley, projecting itself north-westwards to the Peace River in Alberta. This prairie varies greatly in character. It comprises treeless level stretches, ravines and coulées, and rolling country with park-like timbered lands. The forest region extends from the Winnipeg Lake system in Northern Manitoba north-westwards along the north bank of the North Saskatchewan River and down the valley of the Mackenzie River almost to the Arctic Ocean.

Now, as to the Confederation of Canada. In 1841 the Act took effect which united Upper and Lower

Canada under the name of the Province of Canada, and which established "responsible government." The first united Parliament was opened by Lord Sydenham at Kingston, Ontario, on June 13, 1841.

In spite of the apparent progress which followed this attempt at reconciling the discontented elements in both French and English Canada, there was still an underlying feeling of dissatisfaction with the state of affairs; and the union of the two provinces could at the best be regarded as little more than a temporary expedient. It was but a joint, and a weak one at that: there was no actual fusion between the two sections of the people. In 1841 the French Canadians had grumbled because they were given only half the representation in Parliament; it was now Upper Canada's turn to cry "Injustice."

Upper Canada had grown out of all knowledge: the population, unlike that of Lower Canada, was increasing by leaps and bounds; and the politicians of the day were not slow in raising the cry "Rep. by pop."; and "Representation according to numbers" became a popular cry in Upper Canada, and, as might be expected, was fiercely resisted by the French Canadians, who saw in it an attempt to cut away their security, which had been guaranteed by the Act. This attitude caused in turn the greatest irritation in Upper Canada; and since, by the Act of 1841, Upper and Lower Canada sent an equal number of members to the House, the Assembly was equally divided, and it became almost impossible to carry on the public business.

There were other causes of controversy. The grievances of the British commercial population were considerable, and arose largely from the Repeal of the Corn Laws in England in 1846, whereby the

advantages which had accrued from Lord Stanley's Act of 1843 were lost. By the earlier statute Canadian wheat and flour were admitted into British ports at a nominal duty. This made it profitable for Canadians to import from the United States grain which was then ground into flour in Canada and shipped to the English market. For this trade large mills and storehouses had been built in Canada, and a very considerable trade had grown up. It was an advantage also to the provinces, since western produce gravitated to the St. Lawrence, with a corresponding increase in canal dues. At one stroke all these artificial advantages were cut away; many commercial men were ruined; the capital sunk in the mills was threatened; and commerce resumed its natural channel, to the loss of Canada.

That portion of the United States trade hitherto diverted to Canada, the Canadian merchant realised he could not retain without artificial aid. It was generally said by the merchants that the Mother Country had treated them shabbily. A severe depression ensued. Property in the towns fell 50 per cent. in value, and most of the business men were insolvent. A strong feeling grew up in the towns in favour of annexation to the United States. There was only one feasible way of averting this, which was, as Lord Elgin saw, "to put the colonists in as good a position commercially as the citizens of the United States, in order to do which free navigation and reciprocal trade with the States were indispensable."

This critical condition of affairs lasted for some six years, until in 1854 the Reciprocity Treaty negotiated by Lord Elgin was concluded at Washington, by which the protective duties which had hitherto impeded commerce with the States were lowered, and

trade flowed in and out free and unfettered. The Treaty was to last for twelve years—years of memorable prosperity for Canada ; not wholly, let it be said, attributable to the effect of the Reciprocity Treaty, for owing to the Crimean War and the Civil War in the United States the prices for agricultural products were abnormally high.

The Elgin-Marcy Reciprocity Treaty provided that certain natural products should be admitted free of duty into the United States and the British Provinces respectively, for a period of ten years. The measure was, beyond all doubt, beneficial to both countries, and Canadian trade with the Republic increased largely. This Treaty was abrogated by the United States in 1866. The ostensible reason for this abrogation was an increased rate of duty on manufactures from the United States imposed by what was known as the "Galt Tariff" ; but opinion generally leaned to the view that it was really due to irritation felt in the United States towards England, or, to be more precise, towards one of the parties in England, and also against Canada, owing to certain misunderstandings during the Civil War. Endeavours were made before the Treaty was actually abrogated to secure its renewal ; and in 1865 Sir John Macdonald and the Hon. George Brown, leaders of opposing parties, proceeded to England and urged the Imperial authorities to endeavour to obtain its renewal. The attempt, however, was not successful.

The attitude of Canada in view of the then impending abrogation of the Treaty is shown in the following Report of the Committee of the Executive Council of Canada, which was approved by Lord Monck as Governor-General, on the 19th February 1865, and which read as follows :—

"The Committee of the Executive Council deem it to be their duty to represent to Your Excellency that the recent proceedings in the Congress of the United States respecting the Reciprocity Treaty have excited the deepest concern in the minds of the people of this Province. Those proceedings have had for their avowed object the abrogation of the Treaty at the earliest moment consistent with the stipulations of the instrument itself. Although no formal action indicative of the strength of the party hostile to the continuance of the Treaty has yet taken place, information of an authentic character as to the opinions and purposes of influential public men of the United States has forced upon the Committee the conviction that there is imminent danger of its abrogation, unless prompt and vigorous steps be taken by Her Majesty's Imperial advisers to avert what would be generally regarded by the people of Canada as a great calamity. The Committee would especially bring under Your Excellency's notice the importance of instituting negotiations for the renewal of the Treaty, with such modifications as may be mutually assented to, before the year's notice required to terminate it shall be given by the American Government; for they fear that the notice, if once given, would not be revoked; and they clearly foresee that, owing to the variety and possibly the conflicting nature of the interests involved on our own side, a new Treaty could not be concluded and the requisite legislation to give effect to it obtained before the year would have expired, and with it the Treaty. Under such circumstances—even with the certain prospects of an early renewal of the Treaty—considerable loss and much inconvenience would inevitably ensue.

"It would be impossible to express in figures, with

any approach to accuracy, the extent to which the facilities of commercial intercourse created by the Reciprocity Treaty have contributed to the wealth and prosperity of this Province, and it would be difficult to exaggerate the importance which the people of Canada attach to the continued enjoyment of these facilities. Nor is the subject entirely devoid of political significance. Under the beneficent operation of the system of self-government which the later policy of the Mother Country has accorded to Canada, in common with the other Colonies possessing representative institutions, combined with the advantages secured by the Reciprocity Treaty of an unrestricted commerce with our nearest neighbours in the natural productions of the two countries, all agitation for organic changes has ceased—all dissatisfaction with the existing political relations of the Province has wholly disappeared.

“Although the Committee would grossly misrepresent their countrymen if they were to affirm that their loyalty to their Sovereign would be diminished in the slightest degree by the withdrawal, through the unfriendly action of a foreign Government, of mere commercial privileges, however valuable these might be deemed, they think they cannot err in directing the attention of the enlightened statesmen who wield the destinies of the great Empire of which it is the proudest boast of Canadians that their country forms a part, to the connection which is usually found to exist between the material prosperity and the political contentment of the people, for in doing so they feel that they are appealing to the highest motives that can actuate patriotic statesmen—the desire to perpetuate a dominion founded on the affectionate allegiance of a prosperous and contented people.

"The Committee venture to express the hope that Your Excellency will be pleased to bring this subject under the notice of Her Majesty's Imperial advisers.

The members of the Executive Council of the Canadas at this time were: Sir E. P. Taché, Sir John A. Macdonald, George E. Cartier, A. T. Galt, Alexander Campbell, T. D'Arcy McGee, J. C. Chapais, H. L. Langevin, James Cockburn, George Brown, William McDougall, and W. P. Howland.

So as the years swept on and the buoyant hopes raised by the union of Upper and Lower Canada in 1841 were still unfulfilled, a feeling of gloom, even of despair, settled down on the much troubled provinces. The credit of the country was at its lowest ebb, so low indeed that in 1863 the Canadian Five per Cents. were selling in London at 75. The Government, too, was involved in the breakdown, for the time being, of the Grand Trunk Railway, which was in a desperate condition, and apparently on the verge of absolute failure. Another point of importance to be remembered was the state of almost complete isolation in which were the provinces of Upper and Lower Canada, both as regards England and as regards one another. In 1858, it is true, the Atlantic cable had been laid between Europe and America, but communication was interrupted almost immediately, and it was some years before the countries were linked up. Thus the only means of communication with England was by letter, and this meant a delay of several weeks, or it might be months, in any important negotiations which might be in progress. Communications with the Maritime Provinces were equally difficult, and in winter were practically at a standstill. British Columbia was sufficient unto itself, and the way to it lay across the Isthmus of Central America and up the

north-west of the United States, through trackless plains, forests, swamps, and impassable mountains.

New Brunswick and Nova Scotia were kept apart by the separate administration of their affairs; and as a result of the Ashburton Treaty a great wedge of foreign territory had been driven up between Canada proper and New Brunswick. Cape Breton was a government by itself. Each province had its own government, its own laws, its own parliamentary system; and each in its own way was developing along lines of policy dictated by purely local conditions. Last, and most important, each had a tariff wall built up to a height which would keep out its neighbour's produce; and it treated and taxed produce of a neighbouring Canadian province exactly as it taxed the imports from a foreign country.

Consider, also, the attitude of England. Short-sighted politicians regarded the rebellion of the thirteen American states as a warning. It was said that the confederation of the United States had come as a disruptive force in the Empire, and from this it was not difficult to deduce that if England could keep her small colonies apart,—so long as these could develop along their own lines in contentment and at peace with their neighbours,—they were the more likely to look to the Motherland for that maternal care which England is always ready to bestow upon weak nations or weak states.

England, by her Free Trade policy, by the Repeal of the Corn Laws and the preferential duties, had suddenly swept away the supports which had sustained the Canadian exporter, and was accepting supplies from the whole world on an equal basis. No one doubts that this was well within her competence; but she would have been well advised in exhibiting a

little more solicitude, at this juncture, for her Canadian fellow-subjects. One is glad to think that a more considerate spirit prevails to-day.

As in 1841, so in 1862, there was a party at home which did not believe in Canada, and was prepared to see Canada absorbed into the United States; and these views were held by English statesmen on both sides of politics, who would probably have been quite content had Canada asked for independence.

Side by side with this, the progress of public opinion in the Canadian provinces was tending towards a greater measure of self-government, and freedom from the harassing methods of the English colonial administrators, as well as from her own embarrassments.

On the borders of Canada the great American Civil War was in progress, and it was only by the exercise of the most astute diplomacy that Canada avoided being drawn into the maelstrom. The danger of invasion was held to be a serious one common to the Canadian colonies.

Such was the position of Canada in the years 1860-63; disorganised, rent by internal dissensions, the ugly scars of which still remain, she was both poor and isolated, and as a climax there came hopeless parliamentary deadlock. Her best statesmen despaired; there seemed nothing for it but absolute dissolution of the Union or annexation by the United States. And yet there was working a leaven which was to change the whole face of the situation within the next five years, and that leaven was the idea of Confederation. This was no new idea; Lord Durham had recommended it in his great Report, and it had occurred to writers even before that. The politicians hoped thereby to modify the antagonisms between

British and French—the underlying cause of most of the trouble.

The construction of the American railways was proceeding rapidly, and tending to divert, not only the carrying trade of the western states, but even that of Canada; and it was felt that unless the whole of Canada could combine in some fashion in the construction of a railroad, her dependence on the United States would grow.

In 1858, Mr. Galt, an independent member, made a telling speech advocating the union of all the provinces, and he entered the Cartier-Macdonald Government only on the understanding that it was a plank of their political platform. It was in this year that a tariff bill was introduced which imposed rates of 20 and 25 per cent. on certain commodities, and a general rate of 15 per cent. on articles not specially enumerated. The tariff of 1859, generally spoken of as the beginning of Protection, merely amplified this tariff of 1858.

To revert for a moment to the political situation, it must be remembered that, on account of the even voting between Upper and Lower Canada, the Government of the day was dependent absolutely upon the vote of every supporter, and a small clique of faddists could change the policy of a ministry, or if their demands were not complied with, wreck it.

There was the peculiar and, indeed, unique situation then existent of a dual premiership; that is to say, no man from either Upper or Lower Canada could be found acceptable to a ministry composed of representatives of the two provinces, and for years it was necessary to have a combined ministry, which was known not by the name of a single premier, but by

the name of two premiers, as for example, the Cartier-Macdonald Government, the Brown-Dorrien Government, the Macdonald-Sicotte Government, and so forth.

Another important condition, besides this dual premiership, was that of a capital alternating between Toronto and Quebec, so causing great expense in many ways and great inconvenience to those whose business it was to deal with members of Parliament.

Added to all this inconvenience was the fact that in practice the life of a ministry was hardly more than six months. The Cartier-Macdonald Ministry, for example, lived six months after its election in 1862; as did the Sandfield-Macdonald-Sicotte Ministry. The deadlock was complete; and the longer it lasted the more difficult became the situation. With each successive ministry and its inevitable defeat the irritation of both parties grew.

In the midst of all this chaos the suggestion of Confederation was revived and was matured. It is difficult to understand even now how it ever became a concrete fact. This great movement, imposed by the circumstances of the day, was carried through by a number of great men, whose enthusiasm carried their cause over every prejudice and obstacle. One of these was George Brown, of Ontario, and another Cartier of Quebec. Both were typical as well as strong men; their views on politics were diametrically opposed; and they had fought honestly but bitterly in the political arena for years. Yet in one thing they joined hands: it was in their intense devotion to the interests of the country. Both feared and detested any sort of union with the United States, whose policy they distrusted, and with some reason, for in 1866 the United States abrogated without

warning, as I have already described, the Reciprocity Treaty of 1854.

In the autumn of 1864 a representative meeting of men of all shades of political opinion was held to consider the carrying out of Confederation. After deliberating for several weeks, the delegates unanimously adopted a set of some seventy-two resolutions which embodied the terms and conditions on which the provinces would agree to a federal union. These resolutions were laid before the various legislatures, and adopted in the shape of addresses to the Crown; for, of course, the formal consent of England was necessary, and was freely given, and the Colonial Office extended invaluable assistance with some of the reluctant sections.

When the Parliament met in 1865, the Governor's opening speech mentioned the subject of Confederation, and he spoke strongly in its favour. He announced that the Home Government approved of the project, and would introduce the necessary legislation into the Imperial Parliament as soon as the provincial legislators should have declared their adhesion. The matter was debated long and ardently; and eventually on the 10th March 1865 the motion was introduced by the Attorney-General, "That a humble address be presented to Her Majesty praying that she might be graciously pleased to allow the said measure to be submitted to the Imperial Parliament for the purposes of uniting the colonies of Canada, Nova Scotia, New Brunswick, Newfoundland, and Prince Edward Island in one government, with provisions based on certain resolutions of the said colonies held at the City of Quebec on the 10th October 1864." In April a deputation of four members of the administration proceeded to England to

confer with the Imperial Government and promote the scheme of federation.

In the Maritime Provinces the project was received with reserve amounting to hostility. The general election in New Brunswick resulted in the return of a majority hostile to the union. Nova Scotia also was shy about coming in ; and Prince Edward Island not only passed resolutions antagonistic to Confederation, but even repudiated the action of their provincial delegates at the Quebec Conference.

The four delegates to England received full assurances of the goodwill of the Home Government towards their plans, and an Imperial guarantee of a loan for the construction of an intercolonial line of railway was obtained. On their part the delegates were able to say that Canada would devote all her resources to the maintenance of her connection with the Mother Country.

The American Civil War ended in the surrender of General Lee on 9th April 1865. The assassination of the noble President Lincoln followed shortly after. As was natural, a deep impression was created in Canada by these events ; and faces turned with some anxiety towards the new President to see what his policy would be with regard to American-Canadian relations. The formal notice required for abrogating the Reciprocity Treaty had already been given by the States ; and, as I have mentioned, it would in the ordinary course of events end in the March of the following year. The new President refused to entertain any proposition whatever for the renewal of the Treaty.

In compliance with a suggestion from the Home Government a confederate council to deal with commercial treaties had been formed at Quebec, consisting

of representatives of each province of the proposed Confederation. These recommended that a deputation should be sent to Washington to make a final attempt at the renewal of the Treaty. The Government adopted the recommendation, and appointed delegates, but the terms which these delegates were allowed to negotiate were such that Mr. Brown, who served his country so well in bringing about Confederation, felt himself obliged, or at all events, made them the reasons for renouncing an always uncomfortable position in the Cabinet. He felt that the dignity of Canada should not have allowed her to send delegates to beg for a fresh Treaty, but that there should be a fair Treaty, and not one dictated by the American Government. The delegates who were sent to Washington in the beginning of 1866 met with absolute failure, and no further attempt to reopen the question was made for several years.

Scenes of the most remarkable character occurred at this time on the Canadian railways and the international ferries; and, for several months before the Elgin Treaty expired, waggons, ferries, and all forms of locomotion were crowded with outgoing cattle, horses, and farm produce purchased by Americans in Canada before the expiration of Reciprocity. Not only was the money received for all these things a welcome addition to the farmers' store, but also the tonic effect of the repulse was felt throughout the country. It was seen that the old markets were unavailable and fresh ones must be sought; and a Commission was appointed to seek fresh markets in South America and the West Indies, and generally to open up a new avenue of trade. Nevertheless, Canada reeled under the dislocation of trade, and a lesser people might have succumbed.

It was decided that Canada, Nova Scotia, and New Brunswick should proceed into Confederation, leaving Prince Edward Island and Newfoundland to follow if they wished.

In November 1866 the Canadian deputation repaired to England to meet delegates from the other provinces, and a Conference was organised at the Westminster Palace Hotel by the 4th December, and sat until the 24th December, by which time all the important details were finally settled. Modifications, concessions on both sides, as was natural, were made in the resolutions of the Quebec Conference of 1864, but in all essential respects the project remained unchanged. On the 29th March 1867, the Bill, having passed through all the stages in both Houses of Parliament in London, received the Royal Assent, and with it an Act authorising the officials of the Treasury to guarantee interest on a loan of not more than £3,000,000 sterling for the construction of the Inter-colonial Railway. With the passing of the British North American Act, Canada as a Dominion came into being.

Within the next three years the province of Manitoba was formed, and the then North-West Territories acquired from the Hudson's Bay Company. Prince Edward Island and British Columbia also came into Confederation, and thus consolidated the noble proportions of the Dominion.

At this juncture a short statement of fact setting forth what has transpired officially in respect of trade as between the Dominion of Canada and the United States may be suggestive for those who desire to look more closely into the matter.

In 1868 the Canadian Parliament passed a Customs

Act providing that certain United States natural products should be admitted duty free to Canada whenever the latter country conceded a similar privilege to similar products from the Dominion.

In 1869, Sir John Rose, the Canadian Minister of Finance, proceeded to Washington to endeavour to obtain Reciprocity. His mission was, however, fruitless.

In 1871 the United States Government refused to discuss the matter in connection with the Washington Treaty. When the Liberal Party came into power in 1873, an endeavour was again made to come to an understanding on the subject. Negotiations proceeded satisfactorily, and in 1874 a draft treaty was agreed upon. The measure was, however, defeated in the United States Senate.

In the Customs Tariff of 1879 the provision with regard to the free entry of articles from the United States in return for a similar privilege in favour of Canada, which was contained in the Tariff of 1868, was re-enacted. In 1888, when the fisheries question was under discussion at Washington, Sir Charles Tupper offered to settle that on the basis of an arrangement for greater freedom of commercial intercourse. But the suggestion was not entertained.

In 1891 a delegation from Ottawa visited Washington, but the American Secretary of State refused to meet them and discuss the object of their mission. In 1892 a Commission from Canada discussed Reciprocity proposals with the American Department of State. The United States terms, however, included certain impossible conditions—among others, discriminating duties against Great Britain and uniform excise laws; and nothing tangible resulted. In 1896 two members of the Liberal Government were sent to Washington with a view to ascertaining what

might be done in the way of reciprocal tariff arrangements. They found, however, the situation was unfavourable, and reported that they were not able to accomplish anything. In 1896 the "M'Kinley Tariff" came into operation in the United States.

In 1896, Mr. Fairbanks, a United States Senator, wrote to Sir Wilfrid Laurier, inviting him to attend a meeting of the Joint High Commission to discuss pending Anglo-American differences. Sir Wilfrid replied stating that there was no prospect of the Commissioners meeting in the summer of that year, and that there was no purpose in the Commission meeting at all unless definite results were assured. He added that there was no disposition in Canada to renew the Reciprocity negotiations, although the agitation for Reciprocity was spreading in the United States.

The treatment accorded Canada by the United States has ruffled her pride. The effect produced was perhaps the reverse of what was expected, for we find her throughout adjusting herself to the seriously altered circumstances, caused by the loss of her chief market, with energy and intelligence, and eventually with such success that, as you well know, Canadian food products are now in several important lines largely replacing supplies to the United Kingdom which formerly came from the Republic.

Not many years after the events which have just been recorded there commenced a great rush of settlers to the newly acquired North-West Territories; and this movement has gone on until to-day it has attained such proportions as to excite the interest of all civilised nations. One effect of this immigration has been to create a great and not fully satisfied demand in Western Canada—an agricultural country—for the

manufactured products of Eastern Canada ; and the result is that affairs in Canada are abundantly prosperous, so much so that we are annually attracting and heartily welcoming to our boundaries tens of thousands of the splendid people of that very Republic which, little more than a generation back, when Canada was only at the beginning of things, withdrew the Reciprocity Treaty. These facts only need to be recited to elicit the sympathy of every just man with Canada's attitude towards the United States, which has been so eloquently recorded by Sir Wilfrid Laurier, when he said a few years ago that "we have no quarrel with our neighbours ; at the same time we think that the concessions ought not to be altogether on one side." He referred to the surmises of an American newspaper in 1904 "that Canada is yearning for Reciprocity with the United States," and said that "the editor of that paper is about twenty-five years behind the times."

"Once we had leave given our right arm for Reciprocity, now conditions are changed, our looks and our hopes are turned towards the Motherland ; not that Canada does not value American trade, not that she does not wish her relations with the United States on a better footing. But this is a matter on which we shall have no more pilgrimages to Washington."

As all who have followed recent affairs well know, there have been no more pilgrimages of representatives of the Canadian people to Washington, and the re-opening of the negotiations came in response to a desire from the United States, most genially expressed by President Taft, who doubtless realised both the reasonableness and the determination behind Canada's attitude as expressed by her Prime Minister. The negotiations for the proposed Reciprocity arrange-

ment now pending were commenced about a year ago, and took at first the shape of a communication from the Secretary of State of the United States to Mr. Bryce, His Majesty's Ambassador at Washington. The matter being one of a purely Canadian nature, Mr. Bryce turned it over to the Dominion Government for consideration. Eventually the President of the United States invited delegates from Canada to take up the question of a reciprocal trade arrangement. Negotiations were conducted first at Ottawa, and afterwards at Washington, and an understanding was arrived at.

Canadians are glad to know that there is a general awakening in the United States and in England, as well as in the rest of the globe, to the great part which Canada is destined to play in the history of the world, and that official recognition of this fact, although somewhat belated, has practically been accorded by the visits both of Mr. Root and Mr. Bryce to Ottawa a year or two ago. For their brethren and neighbours in the United States Canadians entertain the most friendly feeling. At the same time, the one outstanding feature of Canadian sentiment, subscribed to by all parties and classes in the Dominion, is the fixed determination that in all negotiations as between Canada and the American Republic the full claims of the Dominion shall be recognised.

Great though the progress made by Canada has been during the last twenty-five years, it is safe to say that it will be immensely greater during the twenty-five years about to come. The industrial expansion in the West and Middle West of the United States during the last half of the last century was probably the greatest in the world's history. Fifty years ago Chicago was a small place ; to-day it has a population

of over two millions and a half, and there is a formidable list of Western States which have grown up and have now a population of over ten millions. In 1840 the white population of the United States was only fourteen millions; to-day the white population is over eighty millions.

To the land-hungry the attractions of Canada remain as great as those of the United States in 1840. The undeveloped areas of Canada have a soil quite as fertile, minerals and other undeveloped resources as great as those in the territory of the United States.

The invention of the steam-engine revolutionised industrial conditions during the last century. The greatest industrial significance of our time lies in the utilisation of water by means of electrically transmitted power. The flowing waters of Canada are, at the moment, next to the soil of the Dominion, our greatest and most valuable undeveloped natural resource. They are more valuable than all our minerals, because, properly conserved, they will never be exhausted; on the contrary, they can be increased. In great areas throughout the Dominion they are capable, when fully developed, of supplying our entire urban population with light, heat, and power, operating our tramways and railways, and abolishing the present methods with their extravagance, waste, and discomfort. This fact has brought Canada into the first rank of economical power-producing countries. The official estimate—and it is a remarkable one—is that the Dominion of Canada possesses water-power representing an energy which, if generated by steam, would involve a consumption of 562,000,000 tons of coal annually.

Even from this incomplete statement of the case it will be seen that there is every reasonable ground for anticipating that the expansion of Canada will be

more rapid than was the case in the history of her Southern neighbour ; and the reasonableness of the prediction that the population of the Dominion at the end of the present century will be greater than the present population of the United Kingdom cannot be denied. We have recently heard a great deal about the destiny of Canada ; but Canadians are far too practical a people and far too busily engaged in making money by the development of the natural resources of their country to lose much time over such questions. In my boyhood the disruption of the Empire of Austria-Hungary was thought to be impending. That Empire remains to-day much as it was fifty years ago. It is a wise thing for nations as well as for individuals to take short views, and I say this in connection with some rather loose talk we have recently heard in regard to the proposed Reciprocity arrangement between Canada and the United States. This at any rate can be said with confidence and without fear of offence : that your fellow-subjects in Canada, with the same laws, liberties, and religion, many of them endeared to you by ties of kindred, can surely be depended upon to maintain upon the continent of North America, in their integrity and for all time, British institutions.

CANADA

II. *Sir Edmund Walker*

(*Toronto, 10th Jan. 1911*)

DOUBTLESS the feeling most strongly present at the moment regarding business conditions in Canada is that we are enjoying a prosperity as great as we have ever known. Whatever significance the check of 1907 had at the time or should still have, even the memory of it seems to have passed away; and with larger foreign and home trade, larger bank clearings, a larger amount of building in cities, a larger amount of railway construction, and larger immigration than in any previous year, it would be strange if we felt otherwise. Our Western crops were not to our liking this year; bankers know that a little more expansion may make money scarce; and the pace of real estate speculation has brought on the inevitable temporary exhaustion; but important as these things are, they have little effect on the situation as a whole. Even the large reduction in the volume of business in the United States is regarded as mainly due to political unrest and as having no direct bearing on our position. That we are experiencing very great prosperity is a matter evident to all; but if we examine in detail the circumstances accompanying this prosperity, there is much that is not satisfactory. Great Britain is a country which can afford to import much more than

it exports, because the world owes it annually an enormous sum for interest and other things, for which it must, of course, take payment mainly in merchandise. The United States is a country which should export annually about \$500,000,000 more than it imports in order to pay for interest, and for the money drawn from the country by permanent absentees, tourists, emigrants to Canada, &c., and because it cannot afford to increase its debt to foreign countries, having already about 100,000,000 people and a scarcity in many raw materials. Canada is one of the new countries which is entitled to, and which must, during its period of rapid settlement, import more than it exports. The difference is met, however, by debt obligations which must some day be paid. The question, then, as to how much we should go into debt is the same which confronts the individual in trade; but the considerations are so large and so complicated that it is hard to know when we are wise and when unwise. What is certain, however, is that when a man is in debt he should live sparingly, not extravagantly, and that if, with the money he has borrowed, he has put himself in the way of making a product with which he hopes to pay his debt, he should strain every nerve to make and sell as much of that product as he can, in order to reduce his indebtedness to the lowest point possible. Now Canada is somewhat like a man who, having a rich inheritance in land, borrows to develop it, and, confident of its future value, spends freely for his present gratification, while he does not make effort enough to create the needed present revenue from his property.

During the fiscal year 1910 of the Dominion Government our imports and exports both reached record figures. Our imports were \$391,803,000 and our

exports \$301,358,000, the balance against us being \$90,445,000. The excess of imports is not a record, having been exceeded in 1907 and 1908; but it is a great increase over the previous year, when, because of the contraction in 1908, the excess of imports was only \$48,162,000. The total of our foreign trade was \$693,161,000, more than three times the volume of twenty years ago. It is unfortunate that we cannot estimate, even roughly, the volume and growth of our domestic trade during the same period. Our imports from the United States were larger than ever, \$237,693,000. This is almost twice the amount of ten years ago. Our exports were a trifle less than in 1908, being \$113,145,000. The sum we had to pay to the United States in money was therefore \$124,548,000, or more than two and a half times the amount we had to pay ten years ago. This money was obtained partly from the surplus in our exports to Great Britain, partly from the sale of securities in Great Britain and Europe, and to a small degree from investments in Canada coming from the United States and the wealth brought in by settlers from that country. Our imports from Great Britain were \$95,677,000, a trifle less than those of the record year 1908. Our exports were a record, being \$149,634,000, against \$134,484,000 in 1908. The surplus in our favour was \$53,956,000, a smaller figure than in six of the last ten years, and about eighteen millions less than in the most favourable year, 1903.

It is clear that, if we chose, we could largely increase our exports. We know that in almost all parts of Canada the majority of farmers produce much less wealth per acre than would be possible with greater effort and with the necessary labour

available. The farmer who has no mortgage or other debts, who finds labour extremely hard to obtain, whose standard of comfort is fixed, and who is no longer young, cannot easily realise that he has any duty to the State which he does not perform; nor can any pressure be brought to bear upon him except by friendly argument and practical illustration. The fact remains that, because the farmers as a whole do not produce more, our debts to other countries for national expenditure made in anticipation of future development are more burdensome than is necessary.

The total value of the field crops of Canada, at local market prices, as estimated by the Census Department, is \$507,185,000, the product of 32,711,062 acres. The corresponding figures for 1909 are \$532,992,000, from 30,065,556 acres, and for 1908, \$432,534,000, from 27,505,663 acres. The loss in 1910 was in wheat, oats, and barley, in which the acreage was 20,992,900, with a value of only \$248,738,000, against 18,917,900 acres in 1909, with a value of \$289,144,000. So that, while the decrease in all field crops is \$25,807,000, the loss in wheat, oats, and barley alone is \$40,406,000, leaving a handsome increase in all other field crops.

Our clearing-house returns again reflect the great growth in business. The total of the seventeen clearing-houses for 1910, two being only a few months old, is \$6,154,000,000, as compared with \$5,204,000,000 for 1909, a gain of 18 per cent. in the year. There is a gain in every clearing-house in Canada, most notably in Edmonton, Calgary, Victoria, Vancouver, and Montreal.

The building permits in the four chief cities also illustrate forcibly the growth of Canada. The increase in the amount of new building was in Montreal from

10 million dollars in 1909 to 15 millions in 1910, in Toronto from 18 millions to 21, in Winnipeg from 9 millions to 15, and in Vancouver from 7 millions to 13. Hundreds of other towns and cities show similar proportions of growth.

The most curious feature in Canada at the moment is the outbreak from time to time of agitation, stirred up sometimes by guilds, sometimes by strikes, and often by city councils, but always by one set of interests against another. We have a more general prosperity than could readily be found elsewhere, now or in the history of the past. The only people with a just complaint are those whose labour and brains are paid by a more or less fixed recompense, which is not adjusted in accordance with the change in prices. These are the people who, as a rule, do not complain, perhaps because their fortune is the same in every country. In the case of the majority of our wage-earners there is some adjustment, whether sufficient or not. In any event, the overwhelming bulk of our people share in our prosperity, which, be it remembered, is the result of our combined activities. It is not due to the farmer alone, nor to the mechanic, nor to the railroad, the bank, the manufacturer, or the shopkeeper. It is the result of the fortuitous circumstances under which we are enabled by our combined effort to make profitable use of the natural resources of Canada. Is it not, therefore, most regrettable that, instead of each individual finding happiness and contentment in his own prosperity and in his share in building up this country, which is his guarantee of future well-being, we agitate merely that we may still further profit as individuals, even if other Canadian industries are made to lose or are destroyed thereby?

While there is perhaps less change from year to year in the Maritime Provinces than in most parts of Canada, there is a slow but steady improvement in many industries, and the year just closed has been one of marked prosperity. The results from general agriculture have been perhaps the best in the history of this part of Canada, both as to yield and as to price. The value of the field crops of the Maritime Provinces in 1910 was \$50,150,000, compared with \$49,684,000 for 1909. Potatoes suffered so severely from rot, and the yield was so small, that this important crop brought in only about half the usual returns. Apples and other small fruits, excluding berries, were most unsatisfactory,—apples being less than one-third of a crop,—but in other products, especially hay and grain, crops and prices were so good as to second the admirable efforts of the Agricultural College to impress upon the people how profitable are the results to be obtained from land which is fertile and near to good markets, but which lies idle largely because the people of many parts of these provinces have been used to other pursuits. In Prince Edward Island dairying and stock-raising are increasing in volume and have been very profitable during the past year, and the same is true of some parts of Nova Scotia; but in New Brunswick, notwithstanding the higher prices and the fine hay crops, much less cheese and butter is made than five or ten years ago, many less cheese factories and creameries are in operation, and the stock of horses, cattle and sheep is actually less numerous than ten years ago.

The fishing industry, as usual, presents varied features, the total result being satisfactory. The catch on the Banks has been the largest in many

years, but that on the northern Newfoundland and Labrador shore was smaller than usual. The general catch of cod, herring, smelts, oysters, &c., has been very satisfactory; that of lobsters and mackerel unsatisfactory in some places and plentiful in others. The total catch of lobsters turned out well and brought good prices. Protection for mackerel and lobsters, however, seems very necessary; and, with this in view, improved methods are being adopted. Prices for dried fish are higher,—indeed in Boston the record price since the Civil War was paid in November.

The cut of lumber in New Brunswick has been larger than in 1909 and in Nova Scotia slightly smaller. The market for deals in Great Britain has been satisfactory, but suffered somewhat from the fear of cotton strikes in Manchester. Yards, however, have been cleared out, and a good market is expected with the turn of the year, now that the elections in Great Britain are over. Markets for pine, both abroad and in the United States, are very good; but in spruce only first-class grades find a satisfactory market in the United States. Latin-American markets are good. For hardwoods, piling and pulp there is a sufficient demand. There is a growing appreciation of the great and permanent value of timber lands under intelligent management; and Nova Scotia has adopted the policy of holding the timber-bearing Crown Lands and of selling only the stumpage.

In almost all manufacturing industries there has been an improvement during the year; and the output of coal is now approaching the normal amount after the severe strikes. In the last ten years the increase in the shipments to the St. Lawrence has been about 100 per cent., which gives some idea of the necessity

of that market to the miners of Nova Scotia. The output of coal for 1909 was 5,106,000 tons. For 1910 the estimate is 5,850,000 tons, all but a trifling portion being produced in Nova Scotia. In steel-making it is claimed that improved methods of manufacturing will offset the approaching termination of the bounties. The quantity produced in Nova Scotia is slightly larger than in 1909, with higher prices. The outlook for 1911 is good, notwithstanding the fact that the quantity produced in the United States is likely to be smaller than usual with lower prices. Large additions to plants are being made with a view to increasing the output.

A year ago the record of agriculture in Ontario and Quebec was most satisfactory. This year the record is still better; and it is questionable if, as regards yield or prices,—excepting in the case of fruit, potatoes, and one or two minor articles,—a more generally successful result was ever obtained by our farmers. High prices in 1909 had caused a larger acreage of grain to be planted; farm work began early in the spring; fall wheat came through the winter well; harvest results were excellent; hay gave a large yield; roots in most localities did well; cattle, horses, hogs, poultry, eggs and all dairy products brought high prices; but the supply was unfortunately always insufficient. The value of the field crops of Ontario and Quebec for 1910 was \$301,109,000, compared with \$290,469,000 for 1909.

Although in the fruit districts, where apple growing is carried on scientifically, as fine apples were produced as could be desired, the crop as a whole was as great a failure in Ontario as in the Maritime Provinces. In neither district can accurate statistics be

obtained, but the quantity shipped from Montreal is sufficient to show what a bad crop means. In 1910 the shipments were only 163,000 barrels, there being no recent year comparable with this except 1901, when shipments were only 122,000 barrels. The highest figure reached was in 1903—732,000 barrels; and the average of eight ordinary years was about 515,000 barrels. Doubtless no care would have averted the main cause of a lessened crop; but with scientific methods the number and size of the apples would always be greatly increased and the quality greatly improved.

We used to be able to follow closely the growth of our dairying industry by using the figures of the shipments of cheese and butter from Montreal; but new conditions have arisen, and these figures are now of little use. The consumption of butter in Canada and of cream in Canada and the United States has practically destroyed our foreign trade in butter, which one year reached 573,449 packages, valued at \$7,400,000. The same causes have kept our cheese exports almost stationary for three or four years. The figures for 1910 are 1,892,000 boxes, worth \$17,503,000, as against the record of 2,395,932 boxes in 1903, valued at \$21,500,000. One great departmental store collects direct from the farmers sufficient milk to keep several cheese factories busy.

Successful as the year has been with the farmers of the East, there is a growing conviction that this part of Canada is a land of neglected opportunity, largely owing to the easy success of those who have taken up the cheap lands and virgin soil of the West. While many think that more effort is necessary to success in the East, facts gathered from recent experience show that in no part of Canada can a larger

return be obtained in proportion to the intelligence employed than here in Ontario. We have one of the best and most famous of Agricultural Colleges ; and wherever one of its students is farming, the effect of his knowledge on his own farm and the influence of his example on those of others is most marked ; but there are many parts where no such examples of improved methods exist, and the Government has now adopted the plan of taking the College to the farmer. The Farmers' Institute lectures and the Agricultural Fair prizes have done and are doing much good, but the new effort is of a much more effective and practical nature. It is sought by demonstration farming actually carried on by experts acting for the Government, and by visits paid to various parts of the province by experts who are able and willing to give advice, gradually to break up that condition of contentment with the farming of our fathers which is so great an enemy to progress. If young men can be shown the results of a thorough knowledge of stock-raising as compared with not knowing, of caring for orchards instead of not caring for them, of systematic manuring and of proper drainage, of a knowledge, indeed, of the many things which bring about the enormous difference in results between old-fashioned and up-to-date farming, we may hope that more farmers' sons will stay on the land and that many city men will settle there, and that increased wealth and happiness will be the result. But actual results are more powerful arguments than mere preaching. An orchard in Ontario which yielded, prior to 1909, \$100 worth of apples annually, produced in 1909 in new hands fruit worth \$1437, the net profit on which was \$974, in addition to apples not suitable for eating worth more than the whole

crop before the orchard was properly cared for. In other cases 8 acres of orchard produced \$2489 gross and \$1890 net; $5\frac{1}{2}$ acres produced \$2237 gross and \$1720 net; $1\frac{1}{2}$ acres produced \$539 gross; and many cases of yields in money from \$150 to \$300 per acre could be shown, the result varying of course with the age of the trees, but mainly with the practical knowledge of the fruit-grower. In vegetables one man with 17 acres raised 127 tons of cauliflower which he sold for \$30 per ton, a return of about \$225 per acre. We know that for years large profits have been made in Ontario by growing fine roses and other flowers for New York and other United States markets; but we now hear of one experienced hybridiser, who is also a banker, who has made himself famous as well as prosperous as a producer of innumerable species of gladioli, which are in demand in all quarters of the world. It must be remembered that these results are not due merely to the proximity of a market, but that in almost any part of Western Ontario similar things can be done. Too much credit cannot be accorded to the Department of Agriculture of Ontario for the effort it is making; and we can but hope that the number of lecturers and demonstrators will be increased, and that they will be persistently kept at work as a permanent force working for agricultural improvement. In some districts already a new tone has been given to farm affairs, emigration to the West has nearly ceased, farm values are increasing, and intensive farming is a subject of general and keen interest.¹

¹ In all parts of Eastern Canada an ever-present trouble is the lack of sufficient farm labour. This causes many kinds of difficulties, besides the obvious effect on the volume and cost of production. Indeed, we cannot have the best possible farming even where intelligence is at its highest,

That a more enterprising spirit is necessary may be readily gathered from the statistics of live stock in Ontario. From 1901 to 1907 the number of horses on hand grew from 620,000 to 725,000, but since that year there has been practically no increase. The number sold annually has, however, increased from 51,000 in 1901 to 98,000 in 1910, which is evidence enough of the difficulty of maintaining a stock on hand. The number of milch cows in 1901 was 984,000, in 1907 1,152,000, in 1910 only 1,052,000. The number of other cattle in 1901 was 1,523,000, in 1906 1,834,000, and in 1910 only 1,514,000. The number of stock slaughtered, however, rose steadily from 610,000 in 1901 to 817,000 in 1910. In sheep and lambs the story is one of steady decline from 1901 to 1910 in both the number of those on hand and of those slaughtered. In swine the number on hand rose from 1,491,000 in 1901 to 2,049,000 in 1907, and fell to 1,561,000 in 1910; while the number slaughtered rose from 1,973,000 in 1901 to 2,267,000 in 1905, and fell to 1,844,000 in 1910. In poultry of all classes there has been a satisfactory increase in the number on hand and in the number annually killed. It will be seen from these figures, which are mainly taken from reports of the Agricultural Department of the Province of Ontario, and do not agree very closely with those of the Census Department at Ottawa, that we are meeting a greatly increased

because every farmer finds himself forced to adjust his scheme of farming to the labour he can secure. Intensive farming would be best for the country as a whole, because by it the largest gross value per acre would be produced, and the farmer would thus have more to spend on labour and supplies; but scarcity of labour makes him turn grazier, so that he may get a satisfactory net profit with the least outlay possible for labour and supplies. On the other hand it has brought about an extraordinary advance in labour-saving farm machinery. (Address of Jan. 11, 1910.)

demand by decreasing the stock on hand ; and such a state of things cannot of course continue long. Many quite natural causes have led to this result, and others will tend to remedy it to some extent in the near future. Hay being scarce, high prices prevailing for coarse grains and the highest prices ever known for cattle, the farmer has in many cases sold both cattle and coarse grains, instead of feeding his stock as usual. But food crops are now more plentiful, and we may look for an increase in the stock of animals on hand.

In all manufacturing centres the story is one of a general enlargement of plants, an increase of wages and a difficulty in filling orders, with prosperity to the local shopkeeper as one of the natural consequences. The output of pig iron, steel rails, ingots, &c., at the important plants at Sault Ste. Marie and Hamilton show large increases over 1909 in all articles.

Building operations are being carried on at a pace which clearly reflects our prosperity. The farmer is spending more than usual on tile draining and on outbuildings, in the construction of which cement is now largely used ; in towns and cities extensive municipal improvements are general ; while ordinary building operations for business and other purposes exceed all previous experience.

Flour milling, one of our most important industries, has done reasonably well, but much less so than in the previous season of abnormal profits. Indeed, competition in the business has reached a rather unhealthy stage, and it would be well if there were no more expansion in this business for a time.

The conditions of the lumber market are not very different from 1909. There has been a ready sale for

high grades both abroad and in North America, and a satisfactory market for intermediate grades ; but the sale of low-grade lumber is still seriously interfered with by Southern pine, which has for the time being taken away our market in the United States and even invaded Canada.

The mining business of Ontario centres at Cobalt, and here the production of silver is the largest on record. The growth of this mining camp is sufficiently remarkable to make the figures for the previous six years interesting. The value of the production was as follows :—

1904	.	.	.	.	\$136,217
1905	.	.	.	.	1,485,570
1906	.	.	.	.	3,573,908
1907	.	.	.	.	6,155,391
1908	.	.	.	.	9,133,378
1909	.	.	.	.	12,461,000

Although there has been no new development during the past year, and public attention has been drawn away to the new goldfields of the Porcupine district, the output of silver for 1910 will be about \$14,500,000. The larger result is due to an increase of about 3,000,000 ounces in the quantity mined and to a better price for silver. Up to the present, out of a total product of \$48,000,000 since the camp began, about \$24,500,000 have been paid in dividends. The world's production of silver for 1909 was worth \$107,000,000, and of this Cobalt's percentage was 11.6. Taking into consideration the ore reserves in sight and without reference to the effect of the price of silver, the output of Cobalt alone may maintain its present high level for a few years. Of the various other areas being either prospected or developed, little

of a definite character can be said. Lack of transportation facilities and the other great physical difficulties of work in the north country must make progress slow, but eventually other camps of importance besides Cobalt will doubtless arise. In the meantime silver has become the mineral of second importance in Canadian production, having displaced copper, nickel and gold, and standing, according even to the figures for 1908, in relation to coal as 13.5 does to 29.3. In 1908 we moved to the third position among the world's producers of silver, having displaced Australasia. This is the highest position we can hope to hold, as our production is still small beside that of Mexico and the United States. The value of the total production of minerals in Canada for 1909 is estimated at \$90,400,000—just about half metallic and half non-metallic. This amount is of course the largest in our history, and compares with \$49,234,000 ten years ago and \$14,013,000 twenty years ago.

While it is our habit to turn to cities in the prairie provinces or in British Columbia for evidence of unusual growth, it may be well to note that in a list of Canadian cities, recently compiled in order to exhibit growth of population, Fort William and Port Arthur exceed all others, showing an increase in ten years of 350 and 300 per cent. respectively.

Considerable disappointment accompanies the record of what is nevertheless another year of progress in the prairie provinces,—Manitoba, Saskatchewan and Alberta. The wheat, oats and flax reaped in the previous year were the highest in grade; and the whole crop was the largest and produced the largest sum in money ever known. Under such conditions the acreage for 1910 was naturally increased, not

merely by older farmers but by new settlers preparing their first crops. With an early spring everything promised well; but because of many adverse conditions a smaller and less highly graded crop was the result. Our estimates in August were:—For wheat, 88 million bushels; oats, 90 millions; barley, 17 millions; flax, 4 millions. About 60 per cent. of the wheat is fit for milling; and oats and barley grade badly. The flax crop was larger than in 1909, and the price during 1910 has been as high as \$2.54 per bushel, and is still most unusually high, so that the crop is much more important than might be supposed. The money result from the crops of the three prairie provinces, as estimated by conservative Western opinion, will be about \$20,000,000 less than for 1909. The estimate of the Census Department, which includes all field crops, is less favourable. The total field crops for the three provinces for 1910 are valued at \$155,926,000, as compared with \$192,839,000 for 1909, a less amount by about \$37,000,000. Much of the shrinkage in value is due to decline in price.

The smaller yield of the crops of these provinces is due to unfavourable weather in three districts,—southern Alberta, southern Manitoba and south-western Saskatchewan. In the northern districts and in some southern parts results were most excellent. In the districts where results were generally unfavourable, however, isolated cases stand out, clearly showing splendid results obtained, despite the weather, simply by scientific farming. Agricultural conditions at the moment in southern Manitoba and parts of south-western Saskatchewan are unsatisfactory because of lack of moisture; while in southern Alberta, because of plentiful moisture during the last few months, the prospects are as good as could be desired.

For some years the necessity of more advanced methods in such older parts as southern Manitoba has been painfully evident. May we now hope that the Government of Manitoba, as well as the farmers, will forthwith do the quite obvious and not difficult things necessary to redeem the reputation of this part of Canada as a grain-producing country? Undoubtedly the crop is largely reduced every year by the prevalence of weeds, and it is clear that the Provincial Government cannot take too much trouble to remove this evil as far as possible. Enough has been done by individual cases of good farming to show how much larger the profits of agriculture in the West should be. The results of the present poor crop have been improved by the fact that mixed farming has been increasing—indeed, that is one direction in which southern Manitoba is already working out the reform made necessary by the impoverishment of the land as a result of repeated grain crops.¹

There is no question of more importance to Western development than that of improving the breeding of

¹ Because the pressure of population is slight and the rest of the world at the moment pays high prices for food-stuffs, we do not, except in a few isolated districts, raise from each acre nearly as much as we would if the pressure of necessity were upon us. When this means neglect of the land, as, indeed, it generally does, we may be sure that some day we shall be punished for it. Few farmers in the West take enough trouble in preparing the ground for the crop; weeds are getting a hold upon the country which will in the next generation cause the children to say harsh things of their fathers; the land is not rested by changing crops or restored by fertilisers to any reasonable extent; and as yet the side profits from such useful adjuncts to grain crops as cattle, horse, sheep and hog raising, dairying, poultry farming, &c., are little in evidence, except in particular districts, where marked success has attended dairying and stock, raising. Even if the present money result was no greater, mixed farming—in which the crops are partly used on the farm to feed stock, would so sustain the value of the land for grain growing as to pay handsomely in the long run. (Address of Jan. 11, 1910.)

live stock and of increasing their numbers. We are witnessing the gradual extinction of the rancher and the gradual establishment of a great grazing and feeding industry. It is naturally difficult by the increase due to the slower methods of the latter to make up for the losses consequent on the passing of the rancher ; but the outlook as a whole is promising. The Live Stock Exhibition at Winnipeg in 1910 exceeded all records in the number of high-grade animals shown ; and these were of such excellence that little further improvement can be looked for, some classes having been the finest ever shown in America. The progressive Western farmer is demonstrating to his fellows that if each of them will, as soon as he can afford it, raise a few head of high-grade stock, the disappearance of the rancher will redound to their gain, and the problem of maintaining a sufficient supply of animals will be solved. As matters now stand, stocks are not as large as they should be, nor are they increasing as fast as they should. Statistics do not go far enough back in Saskatchewan and Alberta to be of much service ; but in Manitoba horses have increased in numbers only about 50 per cent. in ten years, cattle a trifle more than 50 per cent., sheep have lessened in number, swine have increased about 100 per cent., and poultry about 65 to 70 per cent. Such statistics as are available show that stocks on hand for the three provinces are about 870,000 horses, 2,300,000 cattle, 345,000 sheep, and 608,000 swine. Figures for poultry seem unreliable, but apparently there are not yet half as many as in Ontario. One has only to look at the map and consider the small part of Ontario that is farmed, and to compare it with the West, in order to see how very much must be done before it can be made impossible

for the Vice-President of the Canadian Pacific Railway to reproach Manitoba with the importation of 12 million eggs in one year over that railway alone, and to say further that the poultry and cream for their dining-cars must be obtained partly in the United States.

In lumber the year was one of anxiety for the manufacturer, the wholesaler and the retail dealer alike. Logging was difficult because of unfavourable weather ; the water in the streams in spring was low ; extensive forest fires and large losses of manufactured stock by fire affected the situation. The inability of the manufacturer, however, to supply as much as usual held prices firm ; and this was the more necessary because of the lessened purchasing power of the farmers where crops were not good. On the whole, a fairly profitable year resulted. For the coming year prospects are bright, counting upon fair crops ; but because of the enforced cutting of areas burnt over, stocks may be increased.

The storage capacity of terminal and inland elevators has increased from 63 million bushels in 1909 to almost 78 millions in 1910.

The railways are again to be congratulated on the manner in which they handled the crop. It is estimated that by the close of navigation 60 million bushels had reached the head of the lakes. Terminal facilities for handling the crop have still further improved ; and through the Lake Shippers' Clearance Association vessels can be loaded and despatched with much greater rapidity than heretofore. There has been the usual large increase in the mileage of railways, with the prospect of a still greater increase in 1911. In addition to Winnipeg there are now many important railway centres, such as Brandon, Regina, Moosejaw,

Weyburn, Saskatoon, Prince Albert, Yorkton, North Battleford, Edmonton, Calgary, and Lethbridge.

During the first nine months of 1910 the number of immigrants entering Canada was 274,901, divided as follows: from Great Britain, 96,924; from the United States, 96,366; from Continental Europe, 81,611. For the year 300,000 is apparently a safe figure. Of this number about 180,000 will settle in the three prairie provinces and British Columbia. Of these about 80,000 are from the United States, 70,000 from Great Britain, and the balance from Continental Europe. As far as capital, in cash and effects, is concerned, the average United States settler has somewhat more than \$1000, the average British settler about \$150, while the Continental European will bring about \$10 in money and little, if any, settler's effects. Sales of land, payments on account of land sales, and homestead entries all exceed the totals of the previous year, Saskatchewan leading the other provinces.

One of the most interesting things in the settlement of Canada is the work of the superintendent of the irrigation schemes of the Canadian Pacific Railway. The policy of providing "ready-made" farms is succeeding admirably; and the dryness of the past season has drawn attention to the value of irrigation in southern Alberta. Sales of land in the irrigation area have been very large during the last three years, and have lately averaged a million dollars a month. The railway company naturally favours sales which result in immediate occupation. Their plans have succeeded so well that an appropriation of 8 million dollars is said to have been voted by the railway board in order to carry the irrigation system further east.

Despite lean crops in the south, farm lands have

increased in price in almost all districts. In towns and cities the increase in assessments, in building operations and in population is even more startling than in previous years ; while in the already numerous manufacturing establishments of Winnipeg there is the same increase in plant and output as in the East, and with the advent of cheap power we are, doubtless, destined to see a great manufacturing centre rapidly created. Winnipeg is the third city in Canada ; and although we think of it mainly as a great market, it is said to have already 236 manufacturing establishments, with an annual output of \$36,500,000. In 1910 there were 65 industrial companies incorporated, with an authorised capital of \$16,000,000 ; while 13 existing companies increased their capital by \$3,000,000. I cannot refrain also from recording that in 1910 Winnipeg was the largest actual wheat market on the North American continent.¹

Doubtless few people in the East realise the extent to which our western and north-western lakes have been supplying fish to the United States markets. The value of the catch last year was from a million to a million and a half dollars, and it included seven important species of fresh-water fishes. The lakes of three provinces are being fished, namely, Lakes Winnipeg, Manitoba, Winnipegosis, Dauphin, Lake of the Woods, Rainy Lake, Lake Athabasca, and other large

¹ Such prosperity has naturally excited real estate speculation ; and the pace at which prices are rising and the tendency of ill-informed people to invest their money in suburban schemes, in which the adjacency to solidly settled parts is often in inverse proportion to the claims of the dealers in this respect, is again apparent enough to warrant a caution on our part. There is, of course, a great legitimate increase in values both in the farm and in the cities ; but those who buy on margin, or who buy without knowledge of surrounding conditions, are sure to be punished in a majority of cases. (Address of Jan. 11, 1910.)

bodies of fresh water north of Edmonton and Prince Albert. The supply of fish in these waters is practically inexhaustible if properly protected; and as a result of the findings of a Commission appointed by the Dominion Government it is hoped that every necessary step will be taken. It will be a great calamity if their history is like that of the Great Lakes in eastern Canada.

British Columbia experienced a year of great and general advancement in 1909, and this was continued throughout 1910. Immigration, at first slower than in the prairie provinces, is now steadily increasing; and it looks as if the unusual resources of this extensive part of Canada would gradually become known to the rest of the world. As far as the settler is concerned, those who are willing to work and to accept the social conditions of a new country can hardly fail to succeed; but too many of those who have already failed elsewhere are not desirable even in this rich land. Capital is flowing to British Columbia in a continually increasing volume, especially from Great Britain. Here, as elsewhere in Canada, there are sources of information by the use of which the investor may be guarded from those who, having something to sell by flotation or otherwise, are not regardful of the truth in their efforts to be successful. In this province, with its extensive undeveloped areas of coal, iron, copper, silver, &c., its remarkable timber and still more remarkable fisheries, its rich valleys capable of bountiful production of fruits, vegetables, and other farm produce, as well as of live stock, it is not easy to guess either the limits to its eventual greatness or the rate of its progress relatively to its extended area.

As elsewhere, farm lands continue to advance in

price, and so do fruit lands ; but the railway development in the northern part of the province and in other districts will give the settler without capital his pathway to success. The growth of cities in British Columbia is so rapid that large quantities of food-stuffs have at present to be imported from the United States, and it can readily be seen that agricultural settlement is necessary and should be profitable. Fruit-growers had a profitable season both as to yield and price ; although the total yield is not large compared with what it will be when the areas being planted year after year are in bearing. Ranchmen and graziers had a good winter, and prices were high when their stock was marketed.

The salmon catch was 762,200 cases, against 629,460 cases in 1906, the year of natural comparison, the increase being in the catch on the northern rivers, while fishing on the Fraser River was again unsatisfactory. This industry was perhaps never in such a sound condition financially, nor so capably managed by the canners. With proper protection to the fish, and no effort should be spared to assure this, salmon fishing may be preserved as one of the leading sources of wealth in this province.¹

In halibut fishing we own another great source of wealth ; but nothing of much practical value is being

¹ The salmon pack for the year 1909 was 920,000 cases, much larger, as usual in the quadrennial year on the Fraser, than for 1906, 1907, and 1908, but quite unsatisfactory as compared with the pack of 1,167,000 cases in the quadrennial year 1905, or of 1,236,000 cases in 1901. Doubtless there were less fish actually running than usual ; although there were other causes for the smaller pack, taking Fraser River and the Sound together. The fish came so late that at the end of the close season on the 27th August there had not been half the usual catch on the Fraser, and many fishermen stopped work at this time, so that the late run was partly lost. Again on the Canadian side the close season in each week was

done to stop the extensive poaching by Americans. If by indifference or because of the great difficulty of making governments believe that vigorous action is necessary, we are robbed of this natural asset, the damage to Canada will be incalculable. Deep sea fishing is our opportunity to build up on the Pacific coast communities of white fishermen, without which we shall suffer as a nation in a much more serious manner than from the mere loss of money. Capital in a large way awaits the development of Pacific coast fishing. Markets exist in our own country, and halibut and herring fishing if protected will exceed the great salmon industry. Shall we preserve our rights?

The market for lumber opened in good shape, but business was checked sharply by the fear of crop failure in the prairie provinces. It improved again, however, when actual results were better known. Business arising from railway and mining work and from building in cities continued to be active throughout the year. During the dull months there was considerable cutting of prices, but this was not so menacing to the prosperity of the mills as the dumping of United States lumber in Canada, owing to the dull state of trade in that country. The cost of lumber is increasing in British Columbia for various

increased to 42 hours and rigidly enforced, with other restrictions, while on the United States side, whatever may be the Federal regulations nominally, there were really no restrictions. The weather also favoured the Sound, causing the fish to remain there longer than usual, and thus enabling 25 to 30 per cent. of the Puget Sound catch, a much larger percentage than ever before, to be taken by purse seiners using power boats. Our own regulations seem to be both adequate and efficiently enforced; but unless the United States joins us both in making and in enforcing regulations looking to the preservation of salmon fishing in these waters, disastrous results, for which there will be no excuse whatever, must follow. (Address of Jan. 11, 1910.)

reasons, and a corresponding increase and greater stability in prices seem essential. The immediate outlook for this very important industry is good, apart from the prospect of more dumping from United States manufacturers.

In mining the most important incident was the purchase of the Dunsmuir coal mines by a company formed for the purpose. A very large increase in the output is contemplated. In the Crow's Nest and adjacent country there has been a great deal of activity in dealing in coal lands, and considerable development work has been done, which will undoubtedly result in a much enlarged output in a few years. The production of coal by the established mines has been irregular, and at the end of the year some mines were closed and some hundreds of miners discharged. The total output for British Columbia in 1910 was some 3,009,000 tons, compared with 2,340,000 tons in 1909 and slightly lower figures for 1907 and 1908. Copper mining and smelting in the Boundary country have had another good year. The additional increase in the capacity of the smelters now makes it possible to treat about 2,500,000 tons of ore annually, with a further material reduction in cost. The quantity of ore mined during 1910 was 1,699,000 tons, compared with 1,594,000 tons in 1909. The price of copper averaged 12.86 cents per pound, against 13.05 cents in 1909; but despite the low grade of the ore, the processes are now so perfect that the companies did fairly well. A slight increase in price is expected, and is much to be desired. Labour conditions, which have in recent years been unsatisfactory, and which resulted in a strike for two months at one of the smelters, are now greatly improved because of better relations between the mine-owners and the

union. Transportation facilities are being greatly improved, and there is a prospect of obtaining coal of good coking quality in the Boundary country. Only a very small part of the known mineral area is being worked; but its possibilities are shown by the fact that the largest company now has furnaces with a capacity of five thousand tons daily, and a converting plant with a capacity of forty million pounds of copper per annum, while the plant as a whole is the largest in the British Empire and the second largest in the world. There has been an improvement in the mining conditions of the Kootenays, more capital seeking investment there and more development work having been done on old and new properties. The total value of the ores smelted at Trail was about the same as in 1909, between five and six million dollars. Ore in some mines has been found at depths of from 1000 to 1150 feet, and other mines are working successfully at lower levels than in the past. Conditions as a whole have not been so hopeful for many years. Much interest awaits the results of experiments by the Dominion Government, looking to a better system of treating the silver-lead ores so as to save the large proportion of zinc which is now lost.

While the growth of the city of Vancouver is more evident to the outsider, it is only an example of the progress in all Western towns and cities. The assessment value in 1910 is four times that of 1905, the building permits and clearing-house returns are over five times as large, and the custom-house returns are nearly four times as large as in that year.¹

¹ Speculation in real estate is inevitable with such facts to promote it, but it is hardly possible for Eastern people to understand the prices which are being paid. They simply do not bear any relation to the past experi-

The gold-mining interests in the Yukon district have been passing through a period of change from small holdings with inadequate appliances to large mining companies with the most advanced machinery, so that while the population is still shrinking, the output is increasing and wages for all classes are still very high. Extensive power plants have been erected ; what is said to be the largest gold-gravel digging dredge in the world is at work ; while by the use of steam-pipes one company has increased by 42 the number of working days in 1910 as compared with 1909. The output will be from \$4,000,000 to \$4,500,000 in value, an increase of about 10 per cent. over the figures of 1909.

(Montreal, Jan. 19th, 1911¹)

I need not remind you of the hazardous experiment we undertook about forty years ago when the scattered provinces east of Lake Superior and the forlorn outpost on the Pacific concluded to acquire the vast prairie interval, the Great Lone Land, and out of these apparently hopelessly incoherent elements to found a nation. How almost comical it seems now to recall that our main hope of success lay in one railroad in the West to connect the forlorn outpost across the sea of mountains with our prairies and Great Lakes, and another in the East to connect the Maritime

ence of such a city as Toronto ; and those who invest should surely not do so unless they feel that they have personal knowledge of the property or have every reason to place full confidence in their advisers. The probability that speculators will be punished for the excessive prices being paid for outlying properties in this city is almost the only cloud over the prosperity of the province. (Address of Jan. 11, 1910.)

¹ Address to the Canadian Manufacturers' Association.

Provinces with Quebec. And yet our greatest national question to-day, as then, is transportation, and each newly opened section of Canada measures its opportunity for success mainly by that one element.

But I spoke of our hazardous experiment in order to recall for a moment our object in joining these provinces in one confederation. We had a very clear and definite object. We believed that it would increase our chance, none too great as it was, of individual prosperity, and we believed that we could build up in time a great nation. A nation, of course, means a people who have decided to do certain things together. It involved our having a conception of our future in many directions, towards which ideals we would work together. To-night it is proper only to consider our conception of our *industrial* future. Regarding this there were years spent in discussion; but, I think, it will be fair to say that in the end we, as a whole, concluded that we desired to build up an industrial civilisation which should eventually be as comprehensive as that of the United States, and that this industrial civilisation should be as completely independent of influence by the United States as possible. With one hundred million on one side of the line, and seven million on the other, the situation must always be peculiarly difficult; and tariffs, and Canadian regulations looking to the proper use, and also to the conservation, of our natural resources, must often be keenly discussed.

It is well always to remember that because of this conception of our future, and because, after all, we have very few people who do not, at the bottom, care more for Canada than for their own pockets, we were able to withstand the attacks upon our national existence made by the McKinley and Dingley Tariffs.

Self-respect, industry, the necessity of working together for Canada, our willingness to pool the credit of every part of Canada in order to harness our country for its work, brought us prosperity, and the confident pride in actually being a nation. It also brought us, by the trans-oceanic trade we sought to develop on both Atlantic and Pacific, a new conception of our place in the Empire, a fact which should profoundly influence our views in industrial matters if we are wise enough to consider our true interests, present and future.

At the moment we are a very prosperous people, but I am sorry to say we are not nearly so contented as in the days of struggle and of small results. We are doing that which most largely interests the older world. We are opening up for settlement extensive areas of rich land. This is causing an immigration which of itself greatly increases trade; a building of railways which gives a still greater impetus: and for the food products arising from the part being farmed very high prices are being obtained. But this only accentuates the need of still more railways, more towns, more public and private improvements, more banks, more, indeed, of everything which accompanies settlement in these days. And we do not simply need railways to aid immediate settlement. We must go on building new railway and great canal systems; we must improve existing canals, build docks, subsidise steamship lines on the two oceans, and, in countless ways, we must pledge the credit of the whole of Canada for the upbuilding of Canada, and without too narrow considerations of the parts most aided or most taxed by such public works.

The conditions of such a partnership must, of course, be as fair as we can make them; and about this there

will be much argument, and doubtless some bitterness and misunderstanding. In the main, however, it can only be accomplished by a cheerful and united people, anxious for personal profit, but glad also that fellow-citizens have also prospered, and not angry because others do their business by the aid of joint-stock companies.

At the moment, however, we find the most widespread prosperity we have ever enjoyed, accompanied by unusual agitation by one interest against another. We seem no longer to be thinking about upbuilding Canada as well as of personally prospering; and yet our only guarantee of permanency in our prosperity lies in developing a strong, united people, not dependent for markets or transportation upon our friends to the south. We cannot afford, for what seems personal profit, to pull down the national structure we have spent so much to build.

I do not, however, wish to be misunderstood. Our railways should be allowed cheerfully to make generous profits, because this means in every way facility in obtaining more railway building; but we need our Railway Commission to avoid unfair rates and generally to regulate, in the interests of the people, such powerful bodies. Our manufacturers should be allowed to profit like others in our general prosperity; and this will inevitably build up more manufactures both here and in the West, and by competition and efficiency produce a much better condition for the consumer than to be left to the tender mercies of the various American trusts. On the other hand, our manufacturers will be very foolish if they do not remember that if, because of tariffs or any other reason, they are able and do exact an abnormal profit, they are building their

business on a most insecure foundation, and one which, happily for the consumer, does not generally last long.

Our farmers, who are at the moment as prosperous as those engaged in any business in Canada, should be made as secure in their prosperity as we can by united action accomplish. We must do our part by joining with them in the great public works I have referred to, and we must join in the effort to secure for them not only good markets, but reasonable railway and other conditions connected with the sale of their products. We must also see that their supplies are not too dear when they are made in Canada; but they, in turn, must suffer disadvantage in some matters, as we all do, for the sake of upbuilding Canada. I, for one, do not believe that, east or west, there are many workers in Canada who are not willing to do this. If there are any who seek only their own gain and who do not care whether Canada is built rightly or not, they deserve little consideration on our part. There is, undoubtedly, at the moment a widespread misunderstanding, and much plain, but kindly, argument seems necessary and desirable, and before all let us remember that our purpose is to build up Canada, and to prosper only as it may be possible to prosper having this in view.

Doubtless there are now, and will be from time to time, interests which are not prospering or which seem to be asked to bear too much for the supposed general good. When such occurs there cannot be too much frank discussion, nor is any effort at justice too great to attempt. It is not always easy to ascertain the greatest good consistent with the determination to upbuild Canada; but that is what we should try to accomplish.

(*Toronto, Feb. 20th, 1911* ¹)

We oppose ratification of the proposed reciprocity agreement with the United States of America :

(1) Because in the year 1897 the Parliament of Canada repealed the legislation, then existing, relating to reciprocity, and since such repeal neither the people of Canada nor their Parliament have entrusted the Government with any duty or authority to negotiate with respect to any agreement on the subject.

(2) Because the present unexampled prosperity of Canada is the result of the policy which has been pursued in the development of her trade and of her natural resources. Because this has involved the expenditure of hundreds of millions of dollars upon railways, canals, steamships and other means of transportation between east and west and west and east, and the obligation to incur further great expenditures for the same purpose; and because further development along the same lines would be seriously checked by the proposed reciprocity agreement and the benefits of the expenditures referred to would be to a great extent lost.

(3) Because it is essential to the continued national unity and development of Canada that no trade relations with any country should be agreed to by Canada on any basis which would check the growth and development of trade between the various parts of Canada with each other, or between Canada and the various parts of the Empire; and because the proposed reciprocity agreement between Canada and the

¹ Statement of Sir Edmund Walker and other business men of Toronto, in the Toronto newspapers of the above date.

United States of America would seriously check the growth and development of this trade.

(4) Because any present benefit to any section of Canada or to any interests or individuals therein which might accrue from the proposed agreement would be more than offset by the loss and injury which would accrue to other sections and interests and individuals ; and because the result to Canada as a whole would be greatly injurious.

(5) Because, as a result of the proposed agreement, the freedom of action possessed by Canada with reference to her tariffs and channels of trade would be greatly curtailed, and she would be hampered in developing her own resources in her own way and by her own people.

(6) Because, after some years of reciprocity under the proposed agreement, the channels of Canada's trade would have become so changed that a termination of the agreement and a return by the United States to a protective tariff as against Canada would cause a disturbance of trade to an unparalleled extent ; and because the risk of this should not be voluntarily undertaken by Canada.

(7) Because, to avoid such a disruption, Canada would be forced to extend the scope of the agreement so as to include manufactures and other things.

(8) Because the agreement as proposed would weaken the ties which bind Canada to the Empire ; and because the unrestricted reciprocity which would naturally follow would still further weaken those ties and make it more difficult to avert political union with the United States.

(9) Because the disruption in the channels of Canada's trade which was caused by the termination of the reciprocity treaty of 1854 and the subsequent

establishment of a protective tariff by the United States gave rise to a decided leaning in many minds towards annexation with the United States, and this at a time when Canada was mainly peopled by native-born Canadians and other British subjects to whom the prospect of annexation was most unwelcome ; and because Canada in a comparatively few years will have millions of newcomers, a large percentage of whom will have come from foreign countries ; and because, if Canada should then have to choose between disruption of her channels of trade with the United States and political union with them, the preservation of Canadian autonomy and Canadian nationality would be enormously more difficult.

(10) Believing as we do that Canadian nationality is now threatened with a more serious blow than any it has heretofore met with, and that all Canadians who place the interests of Canada before those of any party or section or individuals therein should at this crisis state their views openly and fearlessly, we, who have hitherto supported the Liberal party in Canada, subscribe to this statement.

APPENDIX

THE STATISTICS OF THE SELF- GOVERNING DOMINIONS AND OF THE WEST INDIES

AN OUTLINE BIBLIOGRAPHY

STATISTICAL publications with regard to the Oversea Dominions fall into two distinct classes: I. Publications of the Government of the United Kingdom; II. Publications of the Governments of the several Dominions. The former are almost entirely (in the case of the Self-Governing Dominions) derived from the latter, and the information is therefore, in a sense, second-hand. Recourse must be had to the primary sources, (1) for more complete and detailed figures than can be included in the extracts or summaries prepared in England; (2) for indications of the methods by which the material was originally collected; (3) for information of more recent date. The preparation of the English volumes necessarily involves a certain delay. On the other hand, it is necessary to resort to statistical publications of the United Kingdom for (1) *comparative* information concerning the Dominions; (2) information extending over more than a few recent years.

I. PUBLICATIONS OF THE UNITED KINGDOM

A complete and classified list of Parliamentary Papers on Colonial Affairs, from 1877 to the present time, prepared by Mr. Chewton Atchley, Librarian of the Colonial Office, will be found in the non-official annual publication, *The Colonial Office List*. (London : Waterlow : 15s.)

Lists, with prices, of recent issues may be obtained from the Agents for the sale of Government Publications, Messrs. Wyman & Son, Ltd., Fetter Lane, London, E.C.; and their titles and prices are also given in the quarterly lists issued by Messrs. P. S. King & Son, 2 Great Smith Street, Westminster, S.W.

Three annual statistical publications are prepared by the Board of Trade :—

- (1) *Statistical Tables relating to British Self-Governing Dominions, Crown Colonies, Possessions and Protectorates*. This is a substantial folio buff book of some 700 to 800 pages, published at about 6s. 3d., and contains in most cases the figures for the year next but one preceding the year of issue. It gives information similar to that in (2), but in much more detail; together with additional matter respecting municipal finance, prices, wages, tariffs, and crime.
- (2) *Statistical Abstract for the several British Self-Governing Dominions, Crown Colonies, Possessions and Protectorates*. This is an octavo blue book of some 450 pp., published at about 1s. 10d., and contains comparative figures, for fifteen years down to the year preceding that of issue, respecting finance, commerce, banks, posts and telegraphs, crown lands, agriculture, mining, and railways.

- (3) *Statistical Abstract for the British Empire*. This is an octavo buff book of some 280 pp., published at about 1s. 3d., and contains figures for the most part for fifteen years down to the year next but one preceding that of issue. It deals with the following subjects: (1) Area and Population; (2) Trade of the British Empire, (i.) With Foreign Countries, (ii.) Between the United Kingdom and other parts of the British Empire, (iii.) Inter-Colonial Trade; (3) Shipping of the British Empire, (i.) With Foreign Countries, (ii.) Between the United Kingdom and other parts of the British Empire, (iii.) Inter-Colonial Shipping, (iv.) Shipping at Principal Ports in the British Empire; (4) Production of Staple Articles within the British Empire; (5) Consumption of Staple Articles within the British Empire.

II. PUBLICATIONS OF THE DOMINIONS

Unlike the publications of the United Kingdom, these do not usually bear on their title pages either the name of a publication Agent (giving, indeed, usually only the name of the Government Printer at the several capitals) or a figure of price. The more important of them may be seen at the offices of the High Commissioners or Agents-General in London, and also at the office of the Commercial Intelligence Branch of the Board of Trade. A limited number will, in some cases, be gratuitously supplied by the High Commissioners and Agents-General to public libraries and to persons specially interested. They can, however, usually be purchased; and this can, perhaps, most conveniently be effected through an

Agent such as Messrs. Wyman, or (for Australian publications) Messrs. King, or Messrs. Gordon and Gotch, 15 St. Bride Street, E.C.

A. CANADA

I. The Dominion

The statistics for the Dominion of Canada as a whole are issued either by the Census and Statistics Office, Ottawa (Archibald Blue, Chief Officer), or by the several Departments of the Dominion Government.

By the Census and Statistics Office are issued :—

- (1) *The Canada Year Book*, annually, described as “a handy book for the pocket or the desk.” It is composed partly of “Tables Compiled from the Census Reports” and partly of “Tables Compiled from Departmental Statistics.” [*Inter alia*, it contains a table giving percentages of imports from Great Britain and the United States since 1868; and another giving values of exports to Great Britain, to each of the other British countries and to each foreign country, for the last five years.]

- (2) *Bulletins of the Census and Statistics Office*. The most important of these up to the present are :—

- I. *Wage Earners by Occupation*. 1907.
- II. *Manufactures of Canada*. 1907.
- V. *Agricultural Census of Ontario, Quebec and the Maritime Provinces*—1907. 1908.
- VI. *Immigrants of the Agricultural Class in the North-West Provinces*. 1908.
- VII. *Dairy Production*—1907. 1908.
- IX. *The Beet Sugar Industry*. 1909.

(3) A monthly issue entitled *Census and Statistics Monthly*, containing latest information as to Farm Values and Wages, Field Crops, Live Stock, &c.

(4) Monthly Trade Returns, viz. :—

I. *Trade and Navigation Unrevised Monthly Statements* of Imports entered for Consumption and Exports of the Dominion of Canada.

II. *Monthly Report of the Department of Trade and Commerce.*

[Contains a statistical record, in summary form, of the progress of Canada for a long series of years.]

The Departmental Reports are published in the *Sessional Papers of the Dominion of Canada*. Thus, among the *Sessional Papers of 1910* will be found the following Reports :—

10, 10 (a), &c. *Report of the Department of Trade and Commerce*, Parts I.—VII.

11. *Report of the Department of Customs.*

15. *Report of the Minister of Agriculture.*

20a. *Canal Statistics.*

20b. *Railway Statistics.*

22. *Report of the Department of Marine and Fisheries.*

25. *Report of the Department of the Interior.*

26a. *Summary Report of the Mines Branch of the Department of Mines.*

36. *Report of the Department of Labour.*

It should be noticed that earlier information as to Labour Statistics may sometimes be found in the *Labour Gazette of Canada* (monthly).

2. The Provinces

Much statistical material is to be found in the Departmental Reports of the several Provincial Governments, published in the *Sessional Papers* of each Province.

The following are examples from recent volumes:—

Ontario: Sessional Papers, 1910—

3. *Report of the Minister of Lands, Forests and Mines.*
4. *Report of the Bureau of Mines.*
15. *Report of the Bureau of Labour.*
28. *Report of the Department of Agriculture.*
45. *Report of the Bureau of Industries.*

Quebec: Sessional Papers, 1909—

3. *Report of the Minister of Lands and Forests.*
5. *Report of the Commissioner of Agriculture.*
10. *Report of the Superintendent of Mines.*

New Brunswick, 1910—

Report on Agriculture for the Province of New Brunswick.

Manitoba: Sessional Papers, 1910—

10. *Report of the Department of Agriculture and Immigration.*

Saskatchewan—

Public Works, 1908-9.
Agriculture, 1909.

Alberta—

Agriculture, 1909.
Report of the Provincial Secretary, 1909.

British Columbia: Sessional Papers, 1909—

I. *Report of the Commissioner of Fisheries.*

J. *Report of the Minister of Mines.*

Nova Scotia: Appendices to Journal and Proceedings of the Legislative Council, 1909—

App. 6. *Mines Report.*

App. 8. *Report of the Department of Agriculture.*

App. 9. *Report of the Commissioner of Crown Lands.*

Bulletins are also issued periodically relating to crops by the Governments of Ontario, Alberta and Saskatchewan.

B. AUSTRALIA

I. The Commonwealth

The statistics for the Commonwealth as a whole are (as in Canada) issued either by the Commonwealth Bureau of Census and Statistics (G. H. Knibbs, Government Statistician) or by the several Departments of the Commonwealth Government. But the latter seem to be of less relative importance than in Canada; for it would seem that much of the material that might otherwise be issued by the Departments is, in Australia, collected and issued *directly* by the Government Statistician. This practice appears to follow the precedent set in State statistics by Mr. T. A. Coghlan, while Statistician of New South Wales.

The Commonwealth Statistician issues:—

- (1) *The Official Year Book of the Commonwealth of Australia* (No. 3—1910, "containing Authoritative Statistics for the period 1901-1909, and

Corrected Statistics for the period 1788 to 1900"). This is more than a collection of tables: it is a treatise of more than 1150 closely printed pages on the whole economic, social and political life of Australia, so far as it is susceptible of statistical statement, and it is illustrated by maps and graphs. [*Inter alia*, it contains an elaborate section on the Direction of Trade, showing the percentages of imports from and exports to the United Kingdom, British Possessions and Foreign Countries since 1887.]

The Account of Statistical Organisation and Sources of Information in Australia (with a list of Australian Statistical Publications) which is given at the beginning of each Year Book, will facilitate the use of Australian statistics and renders it unnecessary to enter here into as much detail as in the case of Canada.

The information in the Commonwealth Year Book is based, so far as Trade and Shipping are concerned, on returns procured by the Commonwealth Government; but on most other topics it is derived from the statistical publications of the several States, to which, accordingly, it will often be necessary to refer, either for more complete or for earlier figures.

(2) A number of periodical publications, containing the raw material of portions of the Year Book :—

Trade and Customs and Excise Revenue of the Commonwealth of Australia (Annual).

Shipping and Oversea Migration of the Commonwealth of Australia (Annual).

Bulletin of Finance (Annual).

Bulletin of Production (Annual).

Bulletin of Social Statistics (Annual).

Bulletin of Transport and Communication (Annual).
Bulletin of Population and Vital Statistics (Quarterly).
Bulletin of Trade, Shipping, Oversea Migration and Finance (Monthly).

2. The States

Each State has a Statistical Bureau under a Government Statistician, who issues annually :—

- (1) The main annual statistical publication of each government. This retains much of the form originally prescribed by the Home Government for the Governor's Report, and in most States it bears the old title of *Statistical Register* (in New South Wales, Victoria, South Australia and Western Australia). Similar volumes in the two other States bear the titles *Statistics of the State of Queensland*, and *The Statistics of Tasmania*.
- (2) In most States (New South Wales, Victoria, Queensland and Western Australia) an *Official Year Book*.
- (3) Various Annual, Quarterly and Monthly *Reports* or *Bulletins* (for which see the list in the Commonwealth Year Book).

Besides these publications of the State Statisticians, the Departments of the State Governments (*e.g.* those of Agriculture, Crown or Public Lands, and Mines) issue *Annual Reports* containing statistical information. (For a list of these see the Commonwealth Year Book.)

It should be added that no student of Australian economic development can afford to neglect the semi-

official works of Mr. T. A. Coghlan, for many years pioneer of statistical work in Australia as Statistician of New South Wales (and now Agent-General for New South Wales in London). Chief among these are :—

Report on the Census of New South Wales, 1891.

Wealth and Progress of New South Wales [last (13th) issue being in 1902 for 1900-1].

The Seven Colonies of Australasia [the last issue (9th) being in 1902 for 1900-1].

A Statistical Account of Australia and New Zealand for 1902-3 (1903) and for 1903-4 (1904).

C. NEW ZEALAND

The statistical publications of New Zealand are parallel in their general character to those of the Australian States.

(1) *Statistics of the Dominion of New Zealand*, containing—

Part I. *Blue Book* (the traditional name in Australasian Reports for lists of officials, &c.).

Part II. *Trade and Interchange*.

Part III. *Population and Vital Statistics*.

Part IV. *Production, Finance and Accumulation*.

Part V. *Postal and Electric Telegraphs*.

Part VI. *Education, Law and Crime*.

Part VII. *Miscellaneous*.

(2) *The New Zealand Official Year Book*, prepared by E. T. von Dadelszen, Registrar-General, from the foregoing.

D. SOUTH AFRICA

I. South Africa as a whole

The statistics of South Africa are in a transition state. The creation of the Union of South Africa will doubtless lead at an early date to the establishment of a central Statistical Office issuing annual Trade Returns, and a general Year Book. What are in effect federal trade statistics have been issued, from 1906 to 1909 inclusive, for the South African *Customs Union* by the South African Customs Statistical Bureau, Cape Town (A. J. S. Lewis, Principal), in the form of a large annual folio, *Annual Statement of the Trade and Shipping of the Colonies and Territories forming the South African Customs Union*. [Inter alia, this contained a Table showing the proportion of the principal articles of merchandise, the Produce or Manufacture of the British Empire (United Kingdom and British Possessions separately) as compared with the Produce or Manufacture of Foreign Countries—U.S., Germany, France, Belgium, Holland and other Foreign Countries—imported into British South Africa.]

Since May 1910 Monthly and Quarterly Trade Returns have been issued by the Department of Commerce and Industries of the Union of South Africa, Pretoria.

A Twelve-monthly Statement has also been issued giving summarised Trade Returns for the year 1910, preliminary to those issued in the Annual Statement.

This publication includes a series of Tables distinguishing the *Preference Trade* with the United

Kingdom and the British reciprocating Self-Governing Dominions.

The Union of South Africa is not identical in area with the Customs Union, since the latter included the Native Protectorates, as well as Southern and North-Western Rhodesia. The Customs Union Convention has been terminated from June 30, 1910; but its place has for the present been taken by a series of Agreements between the Union and the several Territories and Administrations of South Africa.

2. The Provinces

The Government of the Cape of Good Hope publishes, in much the same form as the returns of Australasia, a *Statistical Register*; while Natal publishes similar information under the name of *Statistical Year Book*. The Cape also publishes a *Year Book* similar to those of the Australian States.

The Transvaal published in 1910 *Statistics of the Transvaal Colony* for the years 1904-1909.

Inasmuch as the constitution of the Union of South Africa is of a more "unitary" character than that of Australia, it is probable that in South Africa statistical work will be more rapidly centralised.

For Rhodesia reference must be made to—

- (1) *The British South Africa Company: Directors Report and Accounts*, annually (including the Report of the Administrator of Southern Rhodesia).
- (2) *Southern Rhodesia: Report of the Controller of Customs* presented to the Legislative Council.

E. THE WEST INDIES

There exists no comprehensive annual statistical survey of the whole of the West Indies. The only official collections of figures for the West Indies generally are to be found in the Reports of Royal Commissions and similar bodies :—

- (1) *West Indies : Report of the Royal Commission to inquire into the Public Revenues, Expenditure, Debts and Liability of the Islands of Jamaica, Grenada, St. Vincent, Tobago and St. Lucia, and the Leeward Islands.* 1884.
- (2) *Report of the West India Royal Commission* (Chairman : Sir Henry Norman). 1897.
- (3) *Report of the Committee on Emigration from India to the Crown Colonies and Protectorates* (Chairman : Lord Sanderson). June 1910.
- (4) *Report of the Royal Commission on Trade Relations between Canada and the West Indies* (Chairman : Lord Balfour of Burleigh). Sept. 1910.

In default of an official volume for all the West Indies, reference may usefully be made to the last edition of the *Pocket Guide to the West Indies*, by A. E. Aspinall, Secretary to the West Indian Committee. (London : Duckworth, 1910 : 5s.)

The only separate official statistics, published in the United Kingdom, are those issued by the Colonial Office with regard to particular Colonies. Of these the most important are the annual *Reports* of the Governor of the several Colonies (published at 2d.

or 3d. each). The following are the Colonies for which such reports are issued : Bahamas, Barbados, British Guiana, British Honduras, Jamaica, Leeward Islands, Trinidad and Tobago, Turks and Caicos Islands, Grenada, St. Lucia, and St. Vincent.

Each of the British West Indian Colonies, however, issues itself an annual Blue Book, containing financial, commercial, agricultural, &c., statistics.

It should be noted, also, that the publications of the Board of Trade before referred to, and especially the *Colonial Abstract*, contain information obtained directly from the several colonies, and publish it some months before the Colonial Reports and Blue Books are accessible.

A semi-official *Handbook of British Guiana* was published in 1909, "under the Authority of the Permanent Exhibitions Committee." (London : Dulau : 5s.)

The offices of the various High Commissioners, Agents-General and Agents in London, are as follows :—

High Commissioner for Canada, 17 Victoria Street,
London, S.W.

Agent-General for Nova Scotia, 57A Pall Mall,
London, S.W.

Agent-General for British Columbia, Salisbury
House, Finsbury Circus, London, E.C.

Agent-General for Prince Edward Island, 73
Basinghall Street, London, E.C.

Agent for Ontario, 163 Strand, London, W.C.

Agent for New Brunswick, 37 Southampton Street, London, W.C.

High Commissioner for Australia, 72 Victoria Street, Westminster, S.W.

Agent-General for New South Wales, 123 Cannon Street, London, E.C.

Agent-General for Victoria, Melbourne Place, Strand, London.

Agent-General for South Australia, 85 Gracechurch Street, London, E.C.

Agent-General for Queensland, 409 Strand, London, W.C.

Agent-General for Western Australia, 15 Victoria Street, London, S.W.

Agent-General for Tasmania, 5 Victoria Street, London, S.W.

High Commissioner for New Zealand, 13 Victoria Street, London, S.W.

High Commissioner for South Africa, 72 Victoria Street, London, S.W.

It may be added that in British Columbia there is a Bureau of Provincial Information under a Secretary who makes it his business to answer inquiries.

The organisation of the Board of Trade and of the Colonial Office (see Preface to this volume) includes—

The Advisory Committee on Commercial Intelligence: Address, The Secretary of the Advisory Committee, &c., Gwydyr House, Whitehall, London, S.W.

The Commercial Intelligence Branch of the Board of Trade: 73 Basinghall Street, London, E.C.

The Imperial Institute: Address, The Director, The Imperial Institute, South Kensington.

H.M. Trade Commissioners in the Self-Governing Dominions (April 1911).

It is suggested that, in all cases, commercial inquiries should first be made of the Commercial Intelligence Branch of the Board of Trade, 73 Basinghall Street, London, E.C., Telephone Number 12807 Central, as the information required may already be available at that Branch.

Canada: Mr. R. Grigg, 120 Board of Trade Building, Montreal.

Australia: Mr. C. Hamilton Wickes, Equitable Buildings, Melbourne.

New Zealand: H.M. Trade Commissioner, P.O. Box 369, Wellington.

South Africa: Mr. R. Sothorn Holland, P.O. Box 1346, Cape Town.

Much general information, especially as to industrial conditions, can also be obtained from

The Emigrants Information Office, 31 Broadway, Westminster, S.W.

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